

NEW TIMES



GUERNICA. PICASSO



The grand hall of a palace in Pushkin, near Leningrad — a gleaming parquet floor, gilded carvings, and between the windows, mirrors that endlessly reflect the sumptuous

baroque splendour.

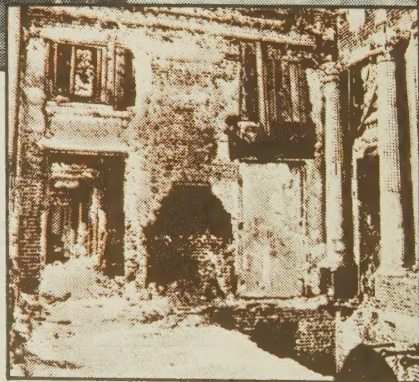
The nazis destroyed this and other palaces in the suburbs of Leningrad within a few moments. They not only wanted to destroy our system, but also rob

us of our history, of the pride we take in the brilliant achievements of our forefathers.

It took years, if not decades, of painstaking labour to restore what had been destroyed. The miracle of rebirth was initiated before the grim ordeal of the siege of Leningrad had ended, when the city's architects blueprinted the restoration of the war-ravaged palaces and parks. The nazi jackboot was still treading the stones of Pavlovsk and Pushkin, when a special school of architecture and art was established in Leningrad to train hungry teenagers in the art of restoration.

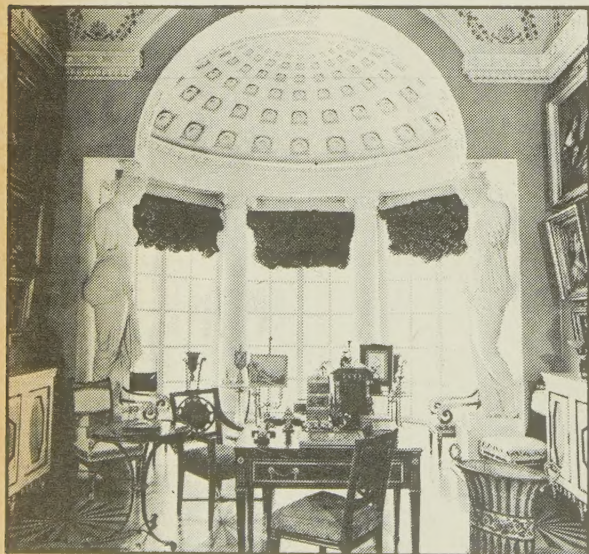
Today the names of the architects, painters, art historians, sculptors, moulders and other craftsmen who restored these

The Lantern room in the Pavlovsk palace museum.



The ruins of the nazis-destroyed Gatchina palace.

magnificent monuments of the past in all their pristine beauty rightly rank alongside the names of the eminent architects and artists of the past. Though their truly titanic efforts have won them many distinctions and prizes, they appreciate that their supreme award is the grateful acknowledgement of the present generation and those to come.



ALL OF EUROPE MUST ACT

Politics has long been in a complex relationship with geography. The nazi geopolitik, for instance, made geography serve aggression. There are also cases when politics deliberately ignores geography as when "Europe" is used to mean only "Western Europe," as if the continent ended on the Elbe rather than stretching from the Atlantic to the Urals.

At his recent talks with French President Francois Mitterrand, Mikhail Gorbachev observed that twenty years ago the two countries were harbingers of positive changes for all of Europe, helping to restore the political role it had played in world affairs over the centuries. Since then this process has made headway not only in the spiritual sense. It has been formalized in international law.

Europe is coming into its own--but only insofar as it is viewed as it really is--a unique and multifaceted continent of different social systems, not an "Atlantic Europe" based on confrontation between blocs, not a "theatre of hostilities," but a land destined by History to be a generator of peace initiatives. Such initiatives led to Helsinki. Today the task is to promote this all-European process.

Active participation in it does not presuppose that any state should swerve from its chosen path or renounce its membership of the bloc it belongs to. Nor is there any need to ignore reality, including American involvement in European affairs. However, all Europe's realities must work to strengthen its stability and reduce the level of confrontation in it. The U.S. is welcome to take part in this noble mission. Regrettably, in recent years the U.S. Administration has been compelling Western Europe in the opposite direction, embroiling it in a further escalation of the arms race. It is therefore all the more important for Europe, as President Mitterrand rightly observed, to be the chief protagonist in its own history.

Elsewhere in this issue you will find material showing the progress of all-European cooperation. Europe must carry it further. The Soviet-French Moscow summit shows that practical opportunities for this exist and that it should be achieved by ridding the continent of the arms burden. This paramount objective is served by the programme for the reduction of armed forces and conventional armaments in Europe put forward by the socialist countries in Budapest. It is a programme worthy of Europe.

Our continent is referred to as the Old World. Yet it can and must absorb and act upon new concepts aimed at bringing peace and prosperity to mankind.

Last month's CPSU Central Committee plenary meeting has given us a fresh impetus to work. One feels one wants to give still more and show still greater vigour. A few words now about the latest initiatives of the Warsaw Treaty countries. The documents that were recently adopted in Budapest show a responsible constructive approach to the problems of preserving peace, a respect for the principle of equal security of the peoples, and the desire to reduce the level of military confrontation in Europe.

Vasily PETYUK
Varemcha, U.S.S.R.

Your moving editorial "The Day of Victory" (No. 18 for 1986) speaks with eloquence, quiet dignity and reverence of the 20 million Soviet citizens who sacrificed their lives to defeat the fascist hordes. The United States, one of your allies in the war, persists in preparing for a war in space. Yet you still believe that peace can be achieved despite the threats against your existence and you refrain from nuclear testing. Your patience must be more than admired: it must also be supported worldwide.

Leandro BARRIOS
New York, U.S.A.

The spirit of Americanism, which I would term gangsterism, is being planted in Italy. Hundreds of TV films from across the Atlantic splash our screens with an endless succession of shootings and fights. They peddle the cult of violence, complete egoism and absolute contempt for human life. The ideal they assert is to win success and wealth for oneself at any cost in a war against everyone else.

Silvio SARZI-SARTORI
Sanremo, Italy

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1986

Founded 1943

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CHERNOBYL EIGHTY DAYS AFTER

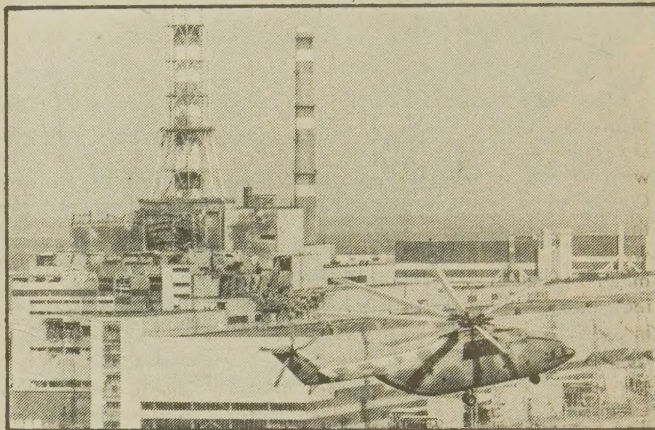
Taking the people out of the distress zone, bringing in experts, performing cleanup operations—all this cost us some of the money allocated to the implementation of our national economic development plans. However, the consequences of the tragedy should not be exaggerated. Academician VALERY LEGASOV and Professor YURI SIVINTSEV offer an account of what the situation in the atomic power plant zone is like today.

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NICARAGUAN REVOLUTION DEFENDS ITSELF

The people of Nicaragua
celebrate Revolution Day on



THE PHILIPPINES AT THE CROSSROADS

There are long queues in front of Malacañang Palace. On display in its halls are treasures which the ex-owner, Ferdinand Marcos, was in too much a hurry to take with him. However, it was not only objects of ostentatious luxury that he left behind. Recently his followers rose in arms against the Corazon Aquino administration. The

July 19. The soldiers of the Sandinist People's Army mark the holiday with arms in hand. Try as they may, the counter-revolutionary saboteurs are unable to make Nicaragua abandon its path to a new



mutiny was abortive, but the country still confronts complex economic, political and social problems. How is it to go about solving them? Many Filipinos are asking themselves this question.

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life. "We shall hold out," President DANIEL ORTEGA of Nicaragua told a New Times correspondent.

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Security and Cooperation Is the Concern of All Europeans



EVGENY SILIN,
Vice-Chairman of the Soviet Committee for European
Security and Cooperation

Europeans are increasingly anxious as to the fate of their continent. The public are discussing with increasing concern what the future may have in store for the Old World. This is small wonder, as this continent, twice ravaged by world war, is today the focus of a perilous military confrontation—in spite of the fact that the experience Europe gained in generating détente in the 1970s could be most successfully applied today to normalize international relations, especially in Europe, and place them on a still more solid foundation than before.

Understandably, détente, disarmament and Europe's part in the world of today were highlighted at the recent Soviet-French summit. It is exceptionally significant that at this juncture the two countries have explicitly favoured talks and declared themselves against the disruption of accords restraining the arms race and its proliferation to other spheres. The dovetailing of approaches in principle between the two sides in this respect is all the more worthy of note, insofar as Moscow and Paris do not always see eye to eye.

The involvement of millions of Europeans in protests against the danger of war, in efforts to abolish nuclear weapons and in the relevant discussions have brought home to ordinary people problems that had so far been the prerogative of the "high priests of big politics." New patterns have emerged in the relationships between people concerned for the destiny of peace. These new links have often crossed the barriers of social and ideological alienation within countries and have promoted exchanges of views between the public in states belonging to different military and political alliances.

One result of the unprecedentedly surging public interest in the issue of war and peace is an approximation of views and the development of a range of common approaches and yardsticks on matters concerned with the maintenance of international security.

One should note that peace-loving, realistically thinking forces in Western

Europe are displaying an increasingly positive response to the ideas the U.S.S.R. and its allies have suggested recently. The overwhelming majority of the population there, along with many European governments, regard the ending of the arms race and disarmament, especially nuclear disarmament, as the highway to the preservation of peace and the aversion of a nuclear catastrophe. It is with peace via disarmament that the peoples associate their hopes for justice, freedom, the satisfaction of human rights and needs, economic advancement, social progress, the abolition of every form of national and racial discrimination and the promotion of all-round cooperation.

Regrettably, despite the energetic efforts of the peace forces, disarmament has to this day "not moved forward by one millimetre," as Mikhail Gorbachev observed. The cause should be sought in the attitude of the different governments to the aims and tasks of the peace movement in general and the International Year of Peace in particular.

The socialist states treat this with absolute seriousness. Last January the U.S.S.R. set out a programme for the phased abolition of nuclear and other types of mass destruction weapons before the end of the century. Last February at its 27th Congress the CPSU proposed building up a comprehensive system of international security. This was followed by concrete proposals to facilitate agreement on withdrawing intermediate-range missiles from Europe. Steps were suggested to eliminate the threat of chemical warfare. Last May the Soviet Union extended its nuclear test moratorium for the third time. Last month the Warsaw Treaty countries put forward a comprehensive plan for cutbacks in armed forces and conventional armaments from the Atlantic to the Urals.

If we compare all these initiatives with the demands the various socio-political forces and peace movements have put forward of late, we shall definitely see that the Soviet "peace offensive" fully accords with the public

mood not only in Europe, but throughout the world.

The fact that all these bold and constructive measures have failed thus far to shake disarmament out of its state of inertia is due exclusively to the frankly obstructionist tactics practised by Washington and some of its allies. Ignoring the vital interests of the world community, the White House seems to be not only loth to discuss the Soviet proposals in a serious, businesslike manner, but is also torpedoing SALT-2 and other Soviet-American accords.

The West European public is alarmed by Washington's destructive policy. It is no wish of ours in calling attention to this to drive a wedge between NATO allies. Their close relationship is an objective reality.

Yet the desire of 700 million Europeans for stronger security is an equally objective reality. Whether in the East or in the West, Europeans have every right to have their own view of these problems, derived from their own vital interests and their own historical experience. Yet it is by no means always that their partner across the Atlantic takes their interests into account. We mean not only, and not so much, partnership within NATO as U.S. partnership with all of Europe within the context of the Helsinki process. There was a time when the socialist countries displayed a positive response towards U.S. involvement in this process, hoping that this superpower would constructively contribute to the consolidation of security and the promotion of cooperation in Europe.

However the U.S. Administration's conduct on the international scene now gives Europeans every right to remind it that involvement in the all-European process also imposes definite commitments. The reluctance to accept collective responsibility and assume commitments with regard to security and cooperation are symptoms of the "arrogance of power" on the part of a state that ignores the interests of partners and allies in its craving to pursue a hegemonic policy. This is exactly how many Europeans, including West Europeans, view the U.S. abandonment of accords with the U.S.S.R. restraining the arms race, its desire to foist upon Western Europe the retention of U.S. intermediate-range nuclear mis-

siles at all costs and start producing binary contaminants intended for use in Europe, and, finally, its attempts to delay the reaching of accord at the Stockholm conference and its delegation's subversion of the Berne meeting on cooperation in the humanitarian field. The American veto of the draft document agreed and accepted by all 34 other participants in the Berne meeting may cast some light on the U.S. Administration's real intentions with respect to the entire Helsinki process. This makes Europeans feel most perturbed as the Vienna meeting of the participating states in the all-European Conference is about to begin.

European public circles must be credited with upholding the Helsinki process with increasing vigour and introducing concrete proposals to implement the Final Act. These moods are characteristic of the results of the Brussels session of the International Committee for European Security and Cooperation, of the international "Vienna III: New Horizons in East-West Trade and Cooperation" conference, and certain other forums.

Various political quarters in Europe see the need to broaden, deepen and find new and more effective ways and means of encouraging economic, scientific and technological cooperation on the continent, pull down the barriers and obstructions erected in the way of such cooperation, and maintain economic security, as representing a major factor for peace and security generally.

One must observe that these demands also largely dovetail with the objectives the U.S.S.R. and the countries of the socialist community have set in their foreign policy initiatives, and with their attitude to the Helsinki process. "This process," Mikhail Gorbachev said, "must proceed across the board in the political, economic, humanitarian and cultural spheres. All three (Helsinki) 'baskets' must be filled with fresh and beneficial fruits. This is also our approach to the imminent routine major forum in European life, the Vienna meeting of the representatives of the participating states in the all-European Conference. We believe this meeting may mark a turn for the better and are prepared to contribute to it."

Europeans are becoming increasingly aware of the interconnection between the peace movement and human rights. People do not want to tolerate clublaw and lack of rights either at home or in international affairs. As the Soviet leader has declared, "We adopt the highest criteria in our approach to this question, both as a means of translating into reality the progressive ideals of social justice and as a component of an all-inclusive system of international security."

The Soviet Union believes there is a vast potential for further promoting

socialist democracy. It is prepared to cooperate in humanitarian matters on an international plane. In this field as well it seeks solutions that would be enforced, not remain on paper. An opposite instance is afforded by the constructive attitude of its representatives at the Berne conference on human contacts. Despite U.S. obstructionism, the U.S.S.R. has unilaterally started to implement the proposals that its delegation presented at Berne. Even more. Although the Berne project has not been formally adopted, the U.S.S.R. is prepared to adhere to its provisions in its bilateral relationships with all states that wish to reach agreement with it on that score.

Naturally, one would like the govern-

ments of a number of NATO states to heed the demands of the time and the moods of the peace-loving public to the extent that the U.S.S.R. and its allies are doing so. Today it is not enough merely to disavow verbally the dangerous extremes of U.S. politics. It is to be regretted that some West European governments more and more frequently yield eventually to pressure from across the Atlantic, and thus shoulder no small measure of the responsibility for the escalation of the arms race and the heightening of confrontation. This stance deprives Western Europe of the power to speak in its own voice. Europeans certainly have plenty to be concerned about.

Mutual Interest in Securing a Balance



DAVID STEEL, leader of the British Liberal Party, was interviewed in London, at New Times request, by Pravda correspondent Arkady Maslennikov.

Mr Steel, how does your party see the cardinal issues of foreign policy and international relations at the present stage?

Let me begin by saying that the Liberal Party has always been in the vanguard of trying to improve the political relations between East and West. We are convinced that you could not succeed in reaching arms control agreements at the disarmament talks if at a political level there was no steam behind them and there was a continued atmosphere of mutual distrust, suspicion and hostility.

That's why I was one of those who took the initiative in starting off a series of visits to and bilateral meetings in Moscow. My visit to the Soviet Union in January 1984 was actually the first in this series. It was followed by the visits of Labour Party leaders and Foreign Secretary Geoffrey Howe.

We believe that for an improvement of relations between our countries and East and West on the whole it is very necessary to increase the amount of political contact and know each other's life better. And that's why I am very pleased that there has been so much contact since then, and in particular, of

course, the success of the personal summit meeting between President Reagan and Mr Gorbachev. It is very important that this process should continue.

Let me take just one issue. I don't think it is sufficiently understood in the West generally what was the scale of suffering of the Soviet people during the last war. It was far greater than we suffered in Britain or in America. When you see the memorial at the Piskaryovo Cemetery in Leningrad, you cannot but be impressed by the scale of sacrifice and heroism displayed by the Soviet people. You begin to understand their anxiety about the repeat of any territorial invasion of the Soviet Union. And this is very important because at least a certain amount of Soviet policy has been based on reaction to threat from outside. It's only when you understand that, you can set about trying to remove the false suspicions that exist on both sides and try to go towards what I called the "controlled management of our differences."

It is not that we are going to convince the Soviet Union to give up its political and economic ideologies. It would likewise be useless to try to persuade the West to give up its own

values. We have got to produce a system where the two separate ideologies can live side by side in a competitive way, in a healthy competitive way, not in an aggressive way. That should be the basic starting point of all our discussions. Unless we can start on this basis, I'm afraid all the international negotiations will simply founder and we will continue to live in an atmosphere of tensions and the escalation of the arms race.

So I hope very much that the Reagan-Gorbachev summit will be repeated and that real efforts at improving basic understandings between East and West will be made.

What do you think in this connection of the latest peace initiatives of the Soviet Union?

I regard the proposals of the Soviet Union and other Warsaw Treaty states on conventional arms and force reductions in Europe as extremely important in the present conditions. The main reason for the West's excessive dependence on nuclear weaponry is the fear that the weight of Soviet conventional forces could overwhelm us in Western Europe. That is why we are anxious to

The CMEA member countries account for over a third of the world's scientific workers and for more than 40 per cent of the inventions and discoveries made and 20 per cent of the licences granted every year in the world. The patent and licence exchange is a dynamic area of economic relations between the CMEA and West European countries.

The scientific-research potentials of Western Europe and the socialist countries mutually complement one another. The West European countries have carried out many research projects of immediate practical use in industry, whereas the European socialist countries have achieved big successes in some fundamental and applied research.

see an agreement on conventional force level.

We Liberals are deeply concerned about the observance of individual liberties in the Soviet Union, as we understand them. At the same time we understand that the Soviet people would wish to make clear their detestation of the side-effects of unmanaged economies, such as unemployment. These are

important questions, and they should be openly discussed at East-West meetings.

What role could Western Europe, Britain in particular, play in the efforts to achieve disarmament and improve the international situation?

We have strong views about the nature of the NATO alliance and our relationship with the Americans. It is a special relationship. But there is a great danger that it will become simply a subservient relationship, and that, I think, is not wanted by the British people as a whole and certainly is not something my party will subscribe to. We believe strongly in the Western alliance and would like to have good relations with the United States. But we believe that the healthy relationship of allies is to be candid friends, not just to be slavish supporters of whatever is said in Washington.

Western Europe has specific interests at stake in the latest Soviet proposals, unavoidably different from those of the United States. These are common West European interests; common between Britain and France as nuclear weapon states, and common between us and our European partners as sharing concern on European security and insecurity.

During my ten years as leader of the Liberal Party I have made several visits to Washington, talking to major figures in different departments. The thing that has always disturbed me most about the U.S. Administration is its internal divisions, which is quite different from Britain or the Soviet Union and most countries that I have visited. This makes it very difficult to hold a constructive dialogue with the Americans.

This is exasperating for the rest of the world, but this does not mean the dialogue should be given up. I think when there are mistaken American foreign policies we should say so. We believe, for instance, that SALT-2 is sacrosanct, that it should not be in any way deviated from, just as we should make it clear to the Americans that we believe their policy in Central America is wrong. I don't see any point in being allies and just say: well, you go along with it. So I hope that the thoughts President Reagan has given about SALT-2 will not become a reality and that the treaty can be preserved.

The West European allies of Washington can exert no small influence in this respect. I know this was already done by Geoffrey Howe and the representatives of other NATO states at a NATO Council meeting in Halifax. They declared themselves in favour of keeping the SALT-2 treaty. In fact, there was a united front of U.S. allies on this question there. The meeting in Halifax was to that extent a success. I'm not saying this has changed the course of



American policy, but I do believe there is every prospect that a united front by the rest of the countries will have some effect on American policy.

We believe that the SALT treaties have got to be protected and, moreover, supplemented by other confidence-building measures. The pressure will be to say to President Reagan that his next meeting with Mr Gorbachev must produce concrete results. What we are looking for, what we would like to see is an agreement on deep cuts in numbers of delivery systems at both intermediate and strategic levels.

The problem of strategic and nuclear arms reduction is inseparably linked with the problem of non-placing strike weapons in space. How, to your mind, are the two problems related?

We, as well as our allies, Social Democrats, are opposed to the "star wars" project. We also think that, if realized, it may create more obstacles to strategic arms reduction.

What role could Britain play in the solution of these problems?

Our party declared at the last parliamentary election that in assisting the arms control process it would be willing to count in the British nuclear deterrent in the East-West discussions. But that was not done by the British government. At one time the U.S. Administration was keen to see that happen. However, the British government raised its objections.

In view of that, Mr Gorbachev said the Soviet government would be willing to proceed with deep cuts in the strategic and nuclear arsenals of the Soviet Union and the United States, leaving Britain and France out of account provided they did not escalate their nuclear forces.

Unfortunately, that is not the provision we are meeting at the moment, because the present government is planning the Trident missile system greatly to increase the British nuclear capability. Thus, we are actually doing nothing to assist the disarmament process.

The Liberal Party believes that the British and French nuclear arsenals should be included in the balance of East-West nuclear deterrence at the American-Soviet talks in Geneva.

All of us should remember the lessons of Chernobyl. It was a disaster for the Soviet people. Similar accidents have previously occurred in the civil nuclear field. But this does not mean that a

more serious disaster may not occur as more and more nuclear weapons are accumulated in the world. The more such weapons we have, the greater is the risk that one of these days there will

be an accident with grave consequences. That's why there should be a greater imperative now to reduce the nuclear arsenals, and in that process Britain must play its part.

Peace is what two West Berliners have embroidered on the rug they display. Peace, security for Europe and for the entire world is demanded by mass anti-war demonstrations. TASS photos



The Potential of Protest

GRIGORY LOKSHIN,
Secretary of the Soviet Peace Committee

The growing awareness of the danger hanging over the world forces millions of members of the anti-war movement and many sensible politicians in the West to abandon obsolete illusions and stereotypes. But the new political thinking is only making headway with much difficulty.

Added evidence of this was offered by the recent session of the European Nuclear Disarmament convention in Evry, a suburb of Paris. The session was attended by some 600 representatives of pacifist and religious organizations and movements in Europe which call themselves "independent" or "non-aligned." A group of experts from the Soviet Union, Czechoslovakia, Yugoslavia, Romania, China and some other countries was invited.

Conflicting Views Remain, but...

This time attention centred on problems relating to West European security policy. The attempted direct dialogue between representatives of anti-war movements and those of several political parties (mostly Socialist and Social Democratic) was a characteristic feature of the present session.

Representatives of the Socialist parties of France and Spain, the Communist Party of Italy, the British and Dutch Labour parties, the Greens, and Social Democrats from Scandinavian countries set forth their own concepts of security. Their opponents, despite all the differences in their views and convictions, pressed them to furnish an answer to a question that

agitated everybody, though not all dared say it aloud: what would the response of these parties be to the programme of peace for Europe proposed by the Soviet Union?

In itself, an open debate between representatives of influential left-wing parties and activists in the anti-war movement confirms what is now beginning to be discerned, their drawing closer together. On the one hand, this reflects the intention of politicians to win votes. On the other hand, it reflects the growing desire of the man in the street to become directly involved in solving disarmament problems and bind politicians with commitments that can realistically be fulfilled.

The organizers of the session were clearly disappointed by the refusal of representatives of the Social Democratic Party of Germany to attend. Various explanations were given. Some said that the West German Social Democrats did not want to put their French comrades "in a tight spot," since profound differences exist between them. Others said that the previous END conventions had weakened the potential of the anti-war movement by their barren discussions of ideological issues totally unrelated to the movement's objectives. (And they are, it must be admitted, quite right.) The absence of the representatives of one of the biggest Social Democratic parties naturally detracted from the standard and content of the discussions. Still, the concept of "partnership in the field of security," put forward by

the SDPG, was presented by Maarten van Traa, international secretary of the Dutch Labour Party.

The comparison of the positions of various Western Socialist parties, as they were presented at the session, brought to mind Lenin's remark made in 1908 about the disputes then raging between Social Democrats: "It would be difficult to find another question on which such hesitation and confusion reign among the Western Socialists as in the arguments on anti-militarist tactics."

Confusion, alas, remains. Yet, the verbal battles convincingly showed that a positive attitude to the dynamic, innovative policy of the U.S.S.R. and other countries of the socialist community, and the realistic alternative they are offering Europe, is gaining ground both in the anti-war movement in the West and in the midst of the left-wing Social Democrats. This patently manifested itself in the virtually unanimous criticism of the concept of "deterrence" by participants in the session. It was defended by Jacques Huntzinger, a prominent member of the French Socialist Party, who tried to persuade his listeners that "the best contribution that France can make to Western Europe's security in the coming years and right up to the year 2000 is to sustain and modernize its strategic nuclear force."

Huntzinger's references to the "Soviet threat," the "Russians' superiority in conventional armaments" and the need to create an "independent European defence" were repeatedly met with jeers, stamping and catcalls. Even Mary Kaldor, a leading END functionary and a Labour Party expert who has never been known to express friendly feelings for the Soviet Union, gave Huntzinger a caustic dressing-down. In Kaldor's opinion the French intention

to build up its nuclear potential is an instrument for the aggravation of confrontation. Joan Ruddock, Vice-President of the Campaign for Nuclear Disarmament (Britain), remarked that because of the stand taken by French Socialists France could potentially become one of the main obstacles to nuclear disarmament in Europe.

For their part, the representatives of the British Labour Party stressed their resolve—should they come to power—to cancel all nuclear rearmament programmes, eliminate nuclear arms in Britain and close the American bases at which nuclear arms are deployed. They spoke highly of the concrete and clear answers given by the Soviet Union to the question of what it would do if the Labour Party carried out its anti-nuclear programme. It will be recalled that this was stated by Mikhail Gorbachev during his conversation with a delegation of British MPs who visited the Soviet Union in May.

The participants in the session welcomed the Labour position. But they also asked a sceptical question: where are the guarantees that if Labour win at the polls their government will really pursue such a policy? The answers, alas, were not very confident or encouraging. For in the past, on coming to power, Labour at times forgot their own promises. In the opinion of Joan Ruddock, and Michael Guapse, a consultant to the Labour Party National Executive, nobody is in a position to give firm guarantees. The crucial factor, they went on, is the extent of the support for Labour before and after the elections by the public, and the mass anti-war movement in Britain itself and in other West European countries. Labour pin great hopes on the solidarity of colleagues in other countries, and particularly on the West German Social Democrats. In the same context they give tremendous importance to the Soviet peace initiatives which, as Joan Ruddock said, have radically changed the state of public opinion in Europe.

Not Words but Deeds

The question of attitudes to the Soviet proposals, especially to the plan for a stage-by-stage global elimination of nuclear arms by the end of the century, became one of the main issues at the session.

It is quite wrong to view the Soviet proposals only as propaganda; they are evidence of its sincere desire to put an end to the insanity of the arms race—such was the opinion of the overwhelming majority of speakers. Many admitted that the Soviet initiatives reflect the main slogans and demands made at various times by different anti-war forces.

Nevertheless some pacifist leaders preferred to search for "weaknesses" in the Soviet proposals, to "amend" them, to make them more acceptable to the West. For instance, the secretary-general of the Dutch Inter-Church Peace Council Mient-Jan Faber said: the Soviet proposals to eliminate medium-range missiles in Europe are wonderful and even though Britain and France refuse to freeze their nuclear arms the U.S.S.R. should ignore this because otherwise the issue will remain deadlocked. Demands were also made that the Soviet Union should not resume nuclear testing altogether, despite the refusal of the United States to join the moratorium, and that the U.S.S.R. should start to disarm unilaterally.

Of course, such logic is unacceptable. Many Western participants in the session noted that, as it is, the Soviet Union has gone more than halfway to

Western Europe accounts for roughly 80 per cent of the imports and some 90 per cent of the exports of the socialist countries.

Between 1975 and 1983 the volume of trade between Western Europe and the European member countries of the Council for Mutual Economic Assistance [CMEA] increased in value from \$41.2 billion to \$73.6 billion, or nearly doubled.

Over the same period West European exports to Eastern Europe rose from \$23 billion to \$36 billion, or 50 per cent, whereas exports from the European member countries of the CMEA to Western Europe, from \$18 billion to \$43.3 billion, or 150 per cent.

meet the West. The task now is not to press for the U.S.S.R.'s unilateral disarmament but to make Western governments pass from words to deeds.

"To Return to the Streets"

In practical terms the positions of the participants in the session coincided in their sharp criticism of the dangerous policy of the White House, its "star wars" programme, the participation of some NATO countries in it, and plans for the European Defence Initiative. It was stated at the session that it is necessary to create reliable security for all the nations of Europe by reviving détente and consistently implementing the principles of the Helsinki Final Act. The list of problems on which views in the anti-



war movement coincide could be continued. And those who stated that it was time to move on from abstract discussion to resolute action were absolutely right.

Of course, there are those who would want the abstract arguments about the movement's strategy, slogans and priorities to continue for as long as possible. It is not for nothing that a number of renegades, former citizens of some socialist countries, appeared at the session. True, this time their tirades about the "absence of democracy" in socialist countries did not impress anyone.

Incidentally, the participants in the session were given an object lesson in "democracy" by the French authorities. A group of British representatives of European Nuclear Disarmament were arrested in Dieppe, on their way to the forum, and held for 24 hours. All the books, booklets, souvenirs and T-shirts portraying children of various races and bearing the inscription "We need each other" were confiscated from them because the French police decided that they were "subversive." It should be added that the mass media in France and other Western countries virtually ignored the session.

When evaluating the international situation many participants in the session asked the following question: how can the pressure from peace-loving states and world public opinion be made strong enough to stop the world from slipping into catastrophe? It is obvious that the anti-war movement, overcoming disunity and discarding obsolete prejudices, should also make a contribution to this through constructive dialogue and concerted actions.

The hall responded with an ovation to the call "to return to the streets" made in her concluding speech by the Italian public figure Luciana Castellina. She reminded her audience that the modern anti-war movement, born on the streets and squares of Europe in the course of mass protest actions against the deployment of new American missiles, had not lost its momentum. And the time has come to pool efforts and demonstrate again the power of the movement.

U.S.S.R.—BRITAIN

A Useful Dialogue

Soviet Foreign Minister Eduard Shevardnadze, Member of the CPSU Central Committee Political Bureau, paid an official visit to Britain. On his arrival in London he made a brief statement in which he said, *inter alia*: "We are grateful to Her Majesty's government for this invitation and hope that during this short stay in the United Kingdom we shall have full, mutually useful talks, which we see as furthering the new round in the Soviet-British dialogue initiated by Mikhail Gorbachev's U.K. visit in December 1984."

According to Reuters, U.K. officials say they view the Shevardnadze visit as a major contribution to furthering East-West dialogue, which may serve to break the deadlock on arms control talks and clear the way for a U.S.S.R.-U.S. summit.

At his talks with U.K. Prime Minister Margaret Thatcher, the Soviet Foreign Minister handed her a personal message from Mikhail Gorbachev. They exchanged views on a broad range of topical international issues and discussed bilateral relations. Eduard Shevardnadze drew attention to the recent sweeping Soviet foreign policy bids as well as to the proposals for cuts in armed forces and conventional armaments which the Warsaw Treaty states put forward in Budapest.

A comprehensive system of international security would accord with the interests of both sides. With the considerable authority the U.K. exercises in European and world affairs, it could significantly contribute, the Soviet Foreign Minister emphasized, to the creation of such a system.

Margaret Thatcher had high praise for the established practice of direct U.K.-U.S.S.R. dialogue at the summit on crucial issues of today and emphasized the significance of her personal meetings with Mikhail Gorbachev.

The two sides advocated the furtherance of the all-European process which is undoubtedly salutary for broadening European cooperation in the political, commercial and economic and humanitarian fields. This objective would be served by the successful culmination of the first round of the Stockholm conference, by concrete accords to consolidate confidence and the constructive meeting in Vienna this coming autumn of the participating nations in the Conference on Security and Cooperation in Europe.

The U.K. Prime Minister cordially accepted the invitation extended to pay an official visit to the U.S.S.R.

The talks the Soviet Foreign Minister had with Sir Geoffrey Howe, his British opposite number, were marked by a similarly constructive and candid spirit.

Staff writer

THE MEDITERRANEAN

Time to Act

Reality often suggests major political initiatives. One such initiative is a plan to make the Mediterranean "a region of lasting peace, security and cooperation for all." With good reason, the ancients gave it its symbolic name. To this day the Mediterranean is a crucial international crossroads, perhaps, unfortunately, the most dangerous of all—a fact that was once again made clear to the world community during the U.S. bombing raid on Libya in April.

Hence the new Soviet initia-

tive, set out in Eduard Shevardnadze's July 8 letter to the U.N. Secretary-General, has aroused understandable interest from the mass media and the diplomatic community. Having reaffirmed all previous proposals for stronger peace in the Mediterranean, including a Soviet and U.S. naval pullout, the U.S.S.R. has also seconded the initiative of the region's non-aligned nations, who are preparing to convene their second conference this year. "It is our belief," the Soviet Foreign Minister says in his letter, "that a broader conference similar to the Conference on Security and Cooperation in Europe would be beneficial."

Understandably, this is not easy. Painstaking effort is called for. All the more reason, therefore, to undertake this effort sooner, as the tensions in the Mediterranean are pregnant with danger. Nor is it only the states on its littoral that are at risk.

It should be understood that the lines of demarcation between the socialist community, the non-aligned states, and the NATO range of operations converge off its shores. U.S. admirals invariably attach priority to the Sixth Fleet, which in recent years has been roughly five years ahead of other U.S. fleets in its rate of arms modernization. This is no wonder, as the Pentagon sees it as the number one harpoon spearheaded, more specifically, at the U.S.S.R.'s Black Sea underbelly. One need only recall the recent provocative appearance of two U.S. warships off Crimean shores.

Or take the following sequence. On its southern flank the NATO military system relies upon this Sixth Fleet, which, as from the 1980s, has strategically coordinated ope-

Scientists vs. War

Seismologists and physicists from 32 countries, many of whom have worked on nuclear weaponry in their time, attended the recent International Forum of Scientists on Nuclear Test Ban in Moscow.

At our request, Soviet newspaper *Trud* correspondent in Rome Pavel Negoitsa interviewed one of the sponsors of the forum, Prof. Giovanni Battista Marini Bettolo Marconi of the University of Rome, a member of the Pontifical Academy of Science, before he left for Moscow.

"Research by scientists in different countries," the professor said, "have shown that a nuclear war is simply inadmissible, as, if it broke out, it would mark the end of civilization. Accordingly many scientists have received with satisfaction the joint conclusion drawn by Mikhail Gorbachev and Ronald Reagan at

rations with the Israeli command. Thus, in July, just when Israeli war planes were striking at Palestinian camps outside the Lebanese town of Saida, the Sixth Fleet also intensified operations, though off Libyan rather than Lebanese shores.

This all causes the world community increasing anxiety. The U.N. has been discussing the Mediterranean's problems for more than a year and has taken appropriate decisions and resolutions which are not without use. But this is not enough today. Today we need practical measures which the Soviet-proposed broad conference could undoubtedly draft.

D. VOLSKY

their Geneva summit to the effect that it is impossible to win a nuclear war.

"In the prevailing world situation it would be logical, I think, to reduce the number of nuclear tests, if not ban them altogether. How can this be achieved? I think we should begin by rebuilding lost confidence between the sides. Because I am sure anything can be achieved provided we trust one another. The task before scientists is to contribute to the establishment of such trust, in which they have unique opportunities and a unique role to play.

"There are people who say it is supposedly impossible to verify nuclear test explosions. That is not at all so. Science has adequate suitable techniques in its arsenal. It has artificial earth satellites to observe what is taking place on and inside the earth and thus ensure authentic information for all parties concerned. Nuclear explosions can be registered by seismic stations. Reciprocal verification with

on-site inspection is all the more possible.

"Of late the idea of a 'space shield' for protection has also gained currency throughout the world. That is an old idea, for history has shown that in the hands of man the struggle of offensive and defensive measures has not checked war. I am absolutely opposed to sophisticated weaponry, be it offensive or defensive.

"Scientists proved long ago that the atom possesses infinite potential for farming and medicine, where it could, for instance, diagnose and cure various illnesses. Special mention should be made of the record of achievement and the great future before the nuclear power industry, even though its path of development is not an easy one.

"In conclusion, I should like to emphasize that the establishment of confidence between countries is of paramount importance today. Scientists could appeal anew to humanity to prevent a nuclear disaster in the world,

and do this not only for political and scientific reasons, but above all for ethical and moral reasons, as war is always amoral."

An appeal of this nature rang out from Moscow. The forum unanimously adopted a declaration which states in part: "We face a simple and merciless reality: civilization will not survive a nuclear war..."

"Active steps should be taken to reduce the risk of nuclear war. We strongly feel that a verifiable, comprehensive nuclear test ban would be a starting point." Hence, scientists have exhorted the leaders of all nuclear powers, especially the U.S.S.R. and the U.S., to agree on a nuclear test ban.

On July 14 at the request of foreign participants Mikhail Gorbachev met the group of scientists who sponsored the Moscow forum. Prof. Marini Bettolo Marconi said there that he was greatly honoured to be handing a copy of the forum's declaration to the Soviet leader. ■

clashes with police, swept the country. Protesters were fired at.

Strikes are the form of protest the regime fears most. At the beginning of July the leaders of the Congress of South African Trade Unions (COSATU), who had gone underground, held a secret meeting near Johannesburg (COSATU has a membership of 640,000). The meeting resolved to launch mass protest action. At about the same time, the leaders of the National Union of Miners (NUM), affiliated with COSATU, worked out their own programme of action.

The first strikes were called at the De Beers gold and diamond mines. They involved a total of 7,500 mine workers. Besides voicing their industrial grievances, they demanded the release of trade union leaders and activists and the lifting of the state of emergency. The COSATU leaders said it would call a 24-hour strike if its demands were not met.

The importance of these strikes should not be underestimated: they have hit vital branches of the mining industry. Gold exports, for instance, account for almost half of the country's total export earnings, while the mining industry as a whole brings in 14 per cent of the gross domestic product. In reporting these statistics, the Associated Press emphasizes the enormous potential strength of the National Union of Miners. It is hardly surprising, therefore, that the authorities' reckless actions have displeased business quarters in South Africa. The Association of Chambers of Commerce said that the imposition of the state of emergency was a serious blow to attempts to settle the race crisis.

Even the little we do learn about the situation in South Africa suggests that the state of emergency has failed to stem the tide of opposition to apartheid.

Y. BOCHKARYOV

SOUTH AFRICA

Resistance to Racist Clampdown Grows

Only bits of information about what has been happening in South Africa since the imposition of the state of emergency there on June 12 filters through to the outside world. All news dispatches from the country have been blacked out. As Oliver Tambo, President of the African National



Even church services for the victims of racist terror in South Africa develop into protest against the brutal apartheid regime.

Photo from Newsweek (U.S.A.)

Congress, described the situation, "a lid has been put over the whole country to prevent the international community knowing."

Some facts do seep through

from time to time, however. It has transpired, for instance, that on the very first days of the state of emergency a wave of mass protest actions by Africans, accompanied by

NAMIBIA

Fresh Impetus to Freedom Fight

Almost 20 years ago the U.N. adopted a crucial decision recognizing the Namibian people's right to self-determination. It took the U.N. Security Council another 12 years to approve Resolution 435 which represents a concrete scheme for Namibia's changeover to independence. Since then, however, no tangible progress has been made in carrying out this scheme.

The International Conference for the Immediate Independence of Namibia was held in Vienna's Hofburg Palace on July 7-11. Participants in the Vienna conference pointed out that the intractability of the apartheid regime and the support it gets from the U.S. and other NATO countries constitute the main obstacle to the solution of this problem.

Backed by socialist states, the developing countries got the Vienna conference to adopt a declaration and a programme of action—both markedly anti-imperialist. Their

affirmation of "the legitimacy of the struggle of the Namibian people by every means at its disposal, including armed struggle, to repel South Africa's aggression and to achieve self-determination, freedom and independence in a united Namibia" is of great importance.

The West could well have tried to prevent the adoption of these documents. However, the U.S., Britain, the F.R.G. and Canada attended the conference merely as observers. In this way they demonstrated, as the Conference chairman put it, their "carelessness" as regards the fulfillment of Resolution 435. This "carelessness" backfired. The documents adopted by the conference did not only affirm the legitimacy of the Namibian people's armed struggle, but also condemned imperialist attempts to make the decolonization of Namibia conditional on the withdrawal of Cuban troops from Angola, and exposed the allies of the apartheid regime for all to see.

I witnessed a vexed American journalist unceremoniously reproaching Ben Mkapa, Tanzania's Minister of Foreign Affairs (and all the African delegations in his person), of using communist language. The American alleged that the "Soviet bloc countries" had tossed "elements hard to

swallow" into the declaration and into the programme of action.

"Nonsense," the minister replied. "We just spoke our minds at this conference."

"The Western countries do not understand why the final documents affirm the legitimacy of armed struggle. This is inhumane!" the American, now angry, persisted.

"Incredible! You deny the oppressed Namibians the right to fight for their liberation. Can't you see that the oppressed have no option in choosing the means of struggle," the Tanzanian minister retorted.

There is no predicting further developments in and around Namibia. One thing is clear: the decisions of the Vienna conference give a fresh impetus to the Namibian people's fight for freedom under the leadership of SWAPO.

V. KOROCHANTSEV

Vienna-Moscow

GREECE—U.S.A.

Ballon d'Essai Returns

The Greek government declined the U.S. request for permission to modernize American nuclear arms depots in Greece. Miltiadis Papaioannou, an official government spokesman, explained that Athens intended to get all nuclear weapons out of the country.

New Times reported last autumn that Costas Laliotis, the then government spokesman, described the withdrawal of American nuclear weapons from northern Greece, begun at that time, as "the first step" in this direction. The first step was followed by a second. What next?

Before we try to answer this question let us cite a fact recorded in the minutes of hearings held in the Military Construction Subcommittee of the House of Representatives Appropriations Committee, and accidentally made public. It turned out that bombers with nuclear weapons on board had been on a 24-hour alert for over 20 years on one of the U.S. bases in Greece. The danger of such nuclear "catapults" to Greece is only too apparent.

On the day following the report of the American request having been turned down, Prime Minister Andreas Papandreou once again voiced his support for those demanding the steady reduction and ultimate elimination of nuclear weapons on the planet.

Socialists had repeatedly proclaimed their commitment to the agreement between Athens and Washington to close down the Pentagon's bases in Greece in 1988. On the other hand, the U.S. is determined to keep them there. It suggests all sorts of alternatives, such as the merger of the bases, their reduction, their partial withdrawal, and the removal of some auxiliary installations. While changing nothing, this gives Washington "grounds" to talk about the reduction of its presence and its supposed flexibility.

In this context, American officials and the mass media are putting it about that the Pentagon will succeed in maintaining its bases. To quote the Wall Street Journal, "reliable information has it that some type of formula would be found to keep the U.S. bases."

Facts? There are none. So Washington launched a ballon d'essai in the shape of the request for permission to modernize its nuclear depots on the off-chance that the Greeks would consent to it.

The ballon d'essai was kicked back. The trick didn't work.

A. BOGOMOLOV

A South African military patrol in Namibia.

TASS photo



At the Crossroads

GEORGI SHMELYOV

The dramatic events in Manila in early July were characterized by a spokesman at the U.S. State Department as a storm in a teacup. He did not seem to be far off the mark: the attempt of supporters of former President Marcos to proclaim a "counter-government" in the fashionable Manila Hotel collapsed in a matter of hours.

President Corazon Aquino, who was on Mindanao Island when the conspirators launched their coup, did not even have to send in troops: as soon as she returned to Manila, most of the few hundred soldiers who had initially supported the coup went over to the side of the government. Former deputy Arturo Tolentino, who had proclaimed himself "acting president," was charged with sedition. The government is firmly in control of the situation, foreign correspondents accredited to Manila agree. Washington has officially reaffirmed its support for the Aquino government.

Yet to characterize the attempted coup as a storm in a teacup hardly testifies to the sincerity of the State Department spokesman, and a number of questions suggest themselves. For instance, another official at the State Department, the U.S. vice-consul, was the first if not the only foreign official to pay a visit to the Manila Hotel immediately after the proclamation of the self-styled "government." The timing of the coup was even more suspicious: both the President and the Vice-President were away (the latter on a visit to Spain), and the political circumstances—hardly fortuitous—with which the coup coincided were even more important.

The present author was able to appreciate some of them as far back as June, when he talked to Information Minister Teodoro Locsin in Manila. The windows of the ministerial reception room offer a view of the whole of the two-storey Malacañang Palace.

"Have you been there yet?" The minister nodded his head at the palace. "Go and see how the people who ruled the Philippines for 20 years lived."

One of the first decrees by the new head of state made the palace a museum and opened it to the public.

A long queue, several people deep,

stretches from the solid metal gate across the courtyard and orchard to the palace: schoolchildren, housewives, nuns, workers, bank clerks have come to see the museum. The dominant colours of the clothes are yellow and green, the colours of the leading political parties which were in opposition before coming to power at the presidential elections last February.

The palace, built more than 120 years ago, was traditionally the residence of Spanish and then American governors-general and eventually of the Philippine presidents. According to a legend, a man amazed by the luxury of the palace exclaimed in Tagalog: "Mai lakan diyan." ("Big bosses live here.") In Spanish, the words sounded like "Malacañang," hence the name of the palace. After Marcos called the state of martial law in 1972, the palace came to be known as the "Malacañang fortress."

The 27 ground-floor and 28 first-floor halls are luxuriously decorated, with jewelry boxes (now empty) scattered about and numerous portraits of the former owners hanging on the walls.

But the bulk of the wealth of the former president, who has now made his home in Hawaii, went with him. According to press reports, the Marcos family is worth 5 to 10 billion dollars, which includes real estate, jewelry, bank assets and other valuables abroad. The current government is taking measures to recover for the country the billions which it claims were misappropriated by Marcos.

The government of President Corazon Aquino has been in office since February 26. Yet just three years before, few people knew her first name. She was just Mrs Aquino, wife of the leading anti-Marcos opposition figure, former Senator Benigno Aquino. On August 21, 1983, as he was walking down the ramp of a plane at Manila airport, he was shot dead. Senator Aquino was assassinated (the circumstances of the death have not yet been clearly established) as he was returning home after almost three years in exile in the U.S. His death contributed to the consolidation of the opposition around Corazon Aquino.

At first she was not taken seriously in the Philippines. The press joked that

her qualities were all "no": no experience, no aptitude, etc. Yet Corazon Aquino is one of the best educated women in the Philippines: she holds university degrees in law and mathematics. A good speaker with a winning and convincing manner and a keen sense of humour, she bravely addresses any audience. It soon became clear that she was well versed in her "subject"—practical politics and political problems. The results were not long in coming: the opposition, once disunited



Malacañang, the presidential residence. Part of it is now a museum displaying the treasures Marcos left behind as he fled the country.

and fragmented, shortly realized that it had a leader, while the ruling regime woke up to the reality of a strong adversary.

After the election, Corazon Aquino announced her victory over Marcos, though his supporters did not recognize it.

Having assumed office as head of state, Corazon Aquino said in one of her first interviews that another, even more difficult battle now lay ahead. First and foremost, the Filipinos are expecting improvements in the political and economic situation. During the election campaign she promised that a change for the better would be apparent within 100 days of her government.

That watermark was reached at the beginning of June, just as I was visiting the Philippines. Addressing a press conference, Corazon Aquino credited the new regime with having begun a purge of the government and armed forces of Marcos' supporters, repealed a number of repressive laws, restored the democratic rights and freedoms of citizens, including the freedom of the press, and released more than 500 political prisoners. All these steps, she

said, had made her administration even more popular with the mass of the population.

Yet this popularity is not universal.

When Corazon Aquino disbanded the National Assembly (parliament), which was dominated by Marcos' supporters, repealed the constitution promulgated under Marcos and assumed broad powers, the new opposition accused her of dictatorial ambitions. Her methods are criticized as "unconstitutional" and little different from the methods practised by right-wing regimes.

A similar attitude was taken by certain forces to the appointment of acting governors of provinces and city mayors without elections.

Aware of these sentiments, the President announced in late May the establishment of a constitutional commission with the task of drafting a new basic law of the republic within three months. The draft constitution will be put to a national referendum. The object is to formalize in the Constitution the principles of national sovereignty, the political and economic independence of the Philippines and the democratic achievements of the February revolution of the people. It is also to set a timetable and procedure for the elections of the President and Vice-President and deputies to the national and local legislative bodies.

The administration is worried by the acute economic problems facing the country. The government inherited a ravaged economy, the rehabilitation of which will take much time and effort. In the past few years, for instance, the national economy was characterized by "negative economic growth." In other words, all economic activity has been shrinking. The government is now urging the population to display the "utmost patience" as economic recovery is not round the corner.

Shortly after taking office the Aquino government announced its intention to draw up a five-year national economic development plan for 1987-91. The Philippine newspaper *Business Day* noted that the five-year plan meant a serious attempt on the part of the new government to pull the economy out of a long crisis and draw up a strategy and tactics for national development.

The government intends to continue using foreign credits, primarily those granted on easy terms, but will not cancel payments on current debts, which are in excess of \$26 billion. In-

terest payments alone swallow almost half the country's export revenue.

Trying to avoid an economic collapse, the Philippines is seeking emergency aid from the U.S., Japan and other leading creditor countries, the International Bank for Reconstruction and Development and the International Monetary Fund. A conference of the "parties concerned" took place in Tokyo in late May. According to press reports, the response of the United States and other Western countries could be characterized as a policy of "wait and see." Meanwhile the U.S.A., the IBRD and the IMF are trying, not without success, to put pressure on the new government. Free enterprise and the market economy are being given greater latitude thanks to the abolition of state monopolies.

But can foreign capital produce a remedy for the Philippine economy? There are many sceptics, and with good reason. The capital investments of foreign, mostly American, corporations in the Philippine economy totalled \$2.5 billion last year, according to official figures. More than 500 American companies are in business on the islands. Last year alone they took out of the country tax-free at least \$200 million in profit, the local press reported.

The new administration considers it to be its paramount task to feed the people. Land reform, which seems a sure solution to this problem, is increasingly becoming the order of the day. Two thirds of the 54-million strong population of the Philippines live in the countryside, 70 per cent of them below the official poverty line. The situation in the cities is not much better as a large proportion of the work force

are either jobless or only partially employed.

"What is the primary concern of the administration today?" President Corazon Aquino was asked at a press conference.

She said that the rebel movement was a serious problem. Although she says the government is committed to peaceful dialogue with the New People's Army, regular troops continue armed operations against the rebels. Local observers point out in this context that the armed forces, having taken Aquino's side last February, eventually guaranteed her victory. The military continue to seek the forcible suppression of the rebel movement. Yet contacts between the government and some of the leaders of the left-wing rebel movement were established last month. The public welcomed them in the hope that they would lead to peace. Washington and some sections of the Philippine army with long-standing links with the Pentagon, however, reacted differently. A correspondent for an American TV company reported from Manila during the July attempted coup that Tolentino had the backing of several senior Philippine army officers who blamed the present government for pushing the country towards communist rule. Such charges are all too familiar!

It is likewise symptomatic that the Marcos supporters launched their action within days of a large protest demonstration outside the U.S. Embassy in Manila. The Associated Press reported that protesters carried banners reading "No to American bases" and chanted "Cory" (as Corazon Aquino is called by her supporters). The demonstration was taken as a precursor of large-scale

The U.S. Clark Field air base.

Photos by A. Yakovlev



anti-American protests, in which Aquino's supporters are involved.

Ever larger sections of the population are joining the movement against the American bases, the largest in the Asian perimeter. I saw this for myself.

...The small township of Angeles is an hour's drive north of Manila. It is known far and wide outside the country as the site of the huge U.S. Air Force base, Clark Field. I went there on a Sunday and the township was quiet, with not a single plane or helicopter with the U.S. Air Force insignia in the air. On weekdays, however, you can see a plenty of them overhead.

U.S. Navy Secretary John Lehman said that there could be no replacement for the bases on the Philippines and any plan to move them anywhere will be damaging to U.S. interests. But what is Manila going to do? Addressing a mass rally at Cebu on May 25, the head of state said that she reserved the right to choose between letting the American military bases stay and dismantling them. Corazon Aquino stressed that every aspect of the problem would have been examined by the time the treaty with Washington expired in 1991.

The deadline is far away, of course, but time flies. And Washington makes no secret of its intention to influence both the decision as to the fate of its bases and Philippine domestic political problems, which are of course the sovereign domain of the people of the country. It is not easy to exert outright pressure in this situation—but then there is a strategy of indirect action, designed to show that the Aquino government is not at all guaranteed Washington's backing if it chooses to pursue a policy that does not accord with American interests and that the U.S. has "alternatives."

Mines can be planted at the difficult crossroads which the Philippines has now reached. Was not the visit of the American vice-consul to the Manila Hotel at the crucial moment such a mine?

Having visited the Philippines, one can hardly help drawing this conclusion.

Manila—Moscow

In Memory of Le Duan



Sorrowful news has come from Hanoi: Comrade Le Duan, courageous internationalist revolutionary, prominent figure in the world communist, working-class and national liberation movement, and indefatigable fighter for peace and socialism, has died. The Vietnamese people has lost a great son, and the Soviet Union, a devoted friend.

"The Soviet Union has always been and remains an example to Vietnam in its revolutionary struggle, a source of inspiration in building a new life, a symbol of the radiant future, and an embodiment of proletarian internationalism."

From a speech by Comrade Le Duan during the visit of Vietnamese party and government delegation to the U.S.S.R. in 1985.

"As they carry on the cause of President Ho Chi Minh, the Communists and all the people of Vietnam always regard the strengthening and development of Soviet-Vietnamese friendship as their sacred duty. This friendship is in the interests of our two nations, it brings nearer the triumph of socialism and promotes national independence and peace."

From a speech at a Soviet-Vietnamese friendship rally on the occasion of the laying of the foundation stone for the Ho Chi Minh monument in Moscow (June 29, 1985).

"The world needs peace, every region on every continent and in the ocean wants it. Having joined hands with other peace-loving and progressive forces in the Asian Pacific region and in the Indian Ocean zone, the Soviet Union and Vietnam will undoubtedly foil the attempts of imperialist forces to unleash an armed conflict; they will ensure peace and security in the region, and guarantee its peoples the right to be true masters of their country...."

"The coming 6th congress of our party will set the objectives and socio-economic tasks for the five-year period (1986-90) and, at the same time, outline the main directions of our country's advance towards a new stage of development on our path to socialism. We shall make every effort to carry out, at an accelerated rate, three revolutions, of which the scientific and technological revolution is the most important, before this century is out, begin practising the socialist collective management, build a new economy, mould a new man, and guarantee our people prosperity and happiness."

From a speech at the 27th CPSU Congress (February 26, 1986).

Chernobyl Eighty Days After

A great deal has happened in the two and a half months that have passed since the accident: the tragic death of firefighters, the struggle to keep those in the forefront of these unhappy events alive and healthy, the help furnished by our friends, the malicious pleasure of our ill-wishers in the West, the fears, the anxieties, the hopes, and the desire to learn from this tragic experience.

Many Soviet citizens and foreign readers have written to us to express their distress. From Italy Merlino Rosy writes:

"I was deeply shocked by the misfortune that befell your country. You must believe

me when I say that not every Westerner showed callousness.... Many took the misfortune to heart, and displayed compassion and concern for the fate of your children."

Readers would like to know what is being done to cope with the consequences of the accident and whether the Chernobyl plant will be reactivated. Our reporters Nikita Alexandrov and Leonid Mlechin put these questions to Academician VALERY LEGASOV, First Deputy Director of the Kurchatov Institute of Atomic Energy, and Prof. YURI SIVINTSEV, D.Sc. (Phys. Math.), head of one of its laboratories.

The tension of the first few weeks after the accident has now greatly reduced. How would you now assess the situation in and around the plant?

Acad. Legasov: It is now clear to everyone that we suffered a very great misfortune. People have died, plant staff have been exposed to radiation and serious economic damage has been done as the Chernobyl plant is no longer generating electricity. To compensate for the loss we have been obliged to make additional outlays. The evacuation of the population from the danger zone, the bringing in of experts, the work of decontamination, the efforts to deal with the consequences of the accident, all this is expensive; it diverts people from other jobs and obliges us to spend resources and money that could otherwise have been used to carry out our economic programmes. But while all that is true, one should not exaggerate the tragic aspect. With each new day the situation is improving. We have accurately assessed the scale of the danger and in the view of both our own experts and their foreign colleagues, the measures taken were correct. Even though it could be said that some things need not have been done at all, while others should have been tackled differently. At any rate, we have got to a point where it is possible to operate almost normally in the danger zone.

Our experts are currently working to activate the plant's first and second units. Service staff will be able to live there though, it is true, further away from the plant than before.

Yet we still cannot say it is all over and done with. Even when the damaged fourth unit has been made a "coffin" or "sarcophagus," whatever you want to call it, that will merely ease the job of decontamination. Actually there will still be plenty to do, nor can it be easily done.

How is the supervision and control of radiation levels within the danger zone organized?

Acad. Legasov: Firstly, we have installed remote controlled dosimetric systems within the reactor zone. Secondly, we take constant readings from the air and the ground, using equipment installed in helicopters and other means of transportation. Finally, specialists collect and analyze soil samples.

Initial measurements of radiation levels indicated how far from the plant these levels represented a health hazard. The population was evacuated and readings continued to be taken. Further monitoring in May and June clarified the overall picture indicating that some areas within the 30-kilometre zone were less contaminated and that radiation levels there were more auspicious than had originally been thought. It was most vital to investigate the isotope composition. This was thoroughly analyzed for every single inhabited locality, indeed for every square mile. After all, there are short-

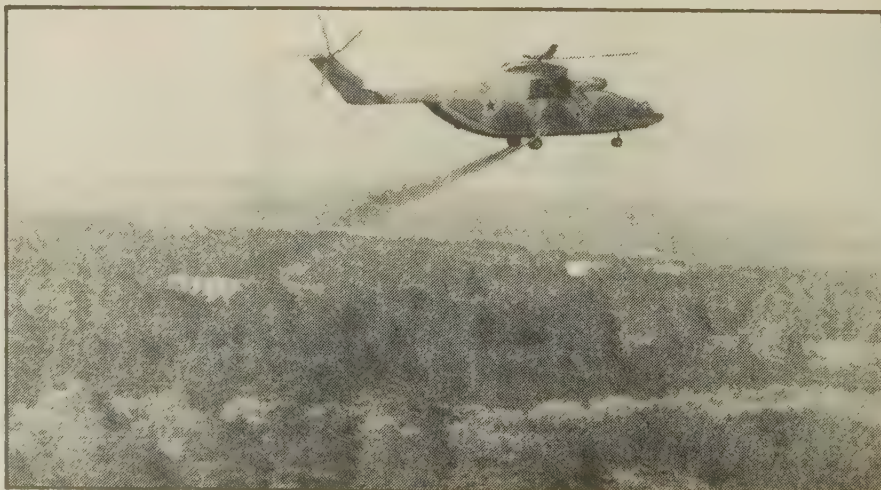
lived isotopes which quickly disintegrate within the space of a few months, and others that contain health hazards for far longer.

After these dosimetric data were obtained, the boundaries of the zone were altered. In some places they projected beyond the 30-kilometre radius, in others were near to the centre. The area of the danger zone and contamination levels are steadily diminishing. At the outset the process was rather rapid, as the short-lived isotopes decayed: now however the process is slower and this is in complete accordance with the laws of radioactive disintegration.

But doesn't decontamination expedite the process of clearing up?

Acad. Legasov: Certainly. Wherever decontamination has been undertaken, radiation levels drop more quickly. However, one must realize that this is no simple matter. Plenty of meadowland and forest has been polluted, so while you clean up the soil trees continue to emit gamma radiation, and this complicates things greatly.

Aerial decontamination.



We are employing three decontamination techniques. In cases of heavily contaminated soil, we simply remove it. The surface layer is shovelled into containers which are subsequently driven to special radioactive waste dumps.

The second, so-called wet, technique involves bathing contaminated surfaces with a special solution. We do this to clean up roads, buildings, structures, machinery and equipment. Contaminated water is collected and purified of radioactive elements, which are also buried.

Effectiveness varies depending on the environment and level of contamination. Sometimes radioactive levels may drop 3-4 or even ten times over after a single treatment. Scientists are now suggesting new solutions and experimenting with them.

Finally, the third technique is the dry treatment. The surface is sprayed with a special solution which polymerizes, shortly afterwards, to become a film whose components hold the contaminated particles. That done, the film is removed, rolled up, and dumped. Now and again the operation has to be repeated. Though definitely labour-intensive, the advantage of this lies in that, since it is a dry process, it does not create additional challenges; there are no liquid wastes, which could penetrate the subsoil to the water table and subsequently reach rivers and lakes.

How are the houses of the evacuees cleaned?

Acad. Legasov: Different techniques are used, sometimes the dry method, sometimes the wet one. When houses are heavily contaminated we remove roofs, or even whole sections.

At the same time we counter the spread of radioactivity. That is still not cleaning proper; however, it is absolutely necessary as the uncontaminated or decontaminated areas have to be protected from radioactive dust carried on the wind. Regrettably, there is plenty of this dust. Trucks also present a problem, for as they travel across the danger zone, they carry radioactive particles on their wheels, and these particles could contaminate the sections that have already been cleaned up. Areas which cannot be decontaminated at once are treated with various chemical compounds that quickly harden. As the contaminated parts are crusted over, the wind can no longer blow radioactive dust onto neighbouring decontaminated areas.

We see that the contamination level is steadily dropping.

Dr Sivintsev: After tons of sundry filtering substances had been dropped on the fourth unit, the radiation release is now over, for all practical purposes.

We are still unable to get right down

to the reactor core and its fuel, as the radiation level is still very high there. We use well protected machines such as tanks and armoured carriers to reconnoitre the situation. Now and again we have to employ radio-controlled equipment. True, not every piece of equipment functions when there is a high level emission as this ionizes the atmosphere. Many robots break down due to high ionization of the atmosphere, for which reason we have to protect equipment, to say nothing of people, from radiation.

For all that, we have the situation in hand. We have discovered that the radiation levels in the fourth unit are such that work can be done there. Institute staff have repeatedly entered it. We have installed metering probes and instruments controlling the air temperature, radiation level, and the neutron background. We have found out that at the outset the scale of the damage was greatly exaggerated, even though this accident is the worst in the history of nuclear-power engineering. I can even say that the unit could be reactivated. However that would be extremely costly and after weighing up all the pros and cons we have rejected the idea.

We are entombing the reactor completely in concrete. Construction is being carried on at a sufficient distance from the active zone to avoid risk to human life. We plan to put the "lid" on the "sarcophagus" by the end of autumn. I have just come in from Chernobyl and I can say that work there is in full swing. Every morning operations for the day ahead are outlined, and at 8 p.m. results are noted, bottlenecks are identified, and what should be done to rectify the situation and how is decided immediately, which means that these particular questions are then closed. Generally speaking, there is every reason to believe that our plans will be implemented fully.

Does that mean Chernobyl will have a lifeless concrete mound as autumn ends?

Dr Sivintsev: It won't be a lifeless mound. The unit will be under constant supervision. The concrete walls will have passageways, while metering equipment will be installed inside. The "sarcophagus" will isolate the radioactive fuel and contaminated air will be thoroughly purified. Nothing will be released except heat, as the project allows for special heat exchangers. In a way, that is more or less what we usually do with reactor fuel exhaust. Indeed, whenever the reactor at an atomic power plant completes what we call its routine "campaign," in short, uses up its fuel, the fuel is loaded into screened vans and taken away for processing. The waste is buried in mounds (disposal sites) to remain

there under constant supervision and control.

How long will the Chernobyl "sarcophagus" last?

Acad. Legasov: In principle, for hundreds of years. But perhaps our descendants, if they need to, will find ways and means of moving the waste elsewhere, or of rendering it absolutely harmless.

There is much talk, especially in the West, about the disposal of nuclear waste.

Dr Sivintsev: I still maintain that nuclear power is ecologically the least harmful method of generating electricity. All other industries discharge waste into the environment, though the ecosphere should not be turned into one vast garbage tip. Nuclear power plants do not emit their waste. The waste is transformed into a solid state (usually in glass or ceramic that cannot react in any way with the environment) and dumped at the disposal sites.



Checking the systems of turbogenerator No. 3 at the Chernobyl atomic power plant.

TASS photos

What can be said today about the causes of the accident?

Acad. Legasov: It is for the government commission to investigate the causes. As far as I know, we have a more or less clear picture of the basic events leading up to the tragedy. After all the details have been elucidated, the officials will in due course fully inform our people and the world public. For the time being I can only say that what occurred was almost inconceivable, the upshot of a whole chain of events, each of which is also most unlikely. The accident has also compelled us to assess once again the principles on which our national nuclear power engineering industry operates, including plant deployment and the standard of technological and personnel competence. In short, everything is being done to preclude the possibility of any repetition of this unhappy accident.

Economic Restructuring: An Irreversible Process

TIMUR TIMOFEYEV,
Corresponding Member, U.S.S.R. Academy of Sciences

Meeting foreign scientists, politicians, public figures, businessmen and trade unionists of different views, or reading articles in the Western press today, one cannot help noting their unfeigned—I would even say unprecedented—interest in the Soviet Union and its policy, in the trends and prospects of the economic, scientific, technological and socio-political advance defined by the 27th CPSU Congress.

At the same time, one marvels at the inadequate—to put it mildly—knowledge these people have of the real processes at work in modern socialist society. Here, for instance, are some of the questions they ask: what does the current Soviet acceleration strategy actually stand for? What is new about it, and to what an extent does it carry on the established line of the CPSU? How realistic and feasible is it? Isn't it too "technocratic"? Such questions are largely prompted by stereotypes formed over years of anti-communist propaganda.

The Human Factor

What our opponents in the West find so hard to understand is in fact very simple: one of the specific features of the current CPSU line approved by the 27th Congress consists precisely in that the Party and its leadership have worked out an integrated approach to the entire complex of urgent, serious socio-political, scientific, technological, economic and cultural problems that require bold solutions, with the main emphasis on the all-out activation of the **human factor**. It is this factor that has the main role to play in the restructuring of the economy, the further rise in the living standards, the improvement and deepening of socialist democracy, and extending the rights of the work collectives. Such a **comprehensive** approach is of decisive importance. It is the chief prerequisite for the breakthroughs planned. That was again made perfectly clear at the recent June 1986 plenary meeting of the CPSU Central Committee by Mikhail Gorbachev when he said: "The promotion of the creative endeavour of the masses provided for by the congress as the basis of acceleration

has a profound effect on society. It is closely linked with the effort for social justice, the development of democracy and maximum openness."

Therefore in discussing the main strategic objective set by the 27th Party Congress—to impart an entirely new quality to Soviet society through the acceleration of socio-economic advance—we should bear in mind not only serious changes in the economy and in making use of the fruitage of scientific and technological revolution, but also a broad range of social, political, moral and psychological aspects of this course. The object is now not merely to step up the rates of economic growth, but to give it a **new quality**. A changeover to **intensive** development determines the nature of economic restructuring and makes it irreversible. Incidentally, the more thoughtful Western analysts and commentators draw attention to this and admit that the notion of restructuring has assumed broad social implications in the U.S.S.R. The British papers *Guardian* and *Times*, certain French publications, the authors of articles carried by the F.R.G.'s *Süddeutsche Zeitung*, *Das Parlament* and others admit that the planned changes are truly multi-dimensional and that the restructuring of the Soviet economy is accompanied by a new, effective and wide-scale social policy.

Another point to be stressed here is that the daring, magnitude and concreteness (i.e., realism) of the creative plans put forward by the 27th CPSU Congress drew universal attention. The fact that the revolutionary plans mapped out by the congress are not mere slogans but a guide to purposeful action has been corroborated by the June plenary meeting of the CPSU Central Committee which reaffirmed that from now on the Party leadership regards both dynamic economic growth rates and high efficiency, on the one hand, and "serious positive changes in the social sphere," on the other, as the main criteria. Work effectiveness will now be judged "not only theoretically but from real changes in society and from practical results."

Another reason why certain foreign commentators are discussing the realism of the objectives set by the CPSU is that

they want to find out what builds the Soviet Communists' confidence in the feasibility of their plans. The answer to this is that our current plans are based on the criterion of social practice, i.e., they presuppose grass-roots vigorous action and initiative. A direct and open appeal to the masses for greater responsibility and efforts constitutes a distinguishing feature of the line approved by the 27th CPSU Congress.

Realism of Our Plans

The discussion now in progress in the West about the feasibility of the basic objectives set by the congress has drawn a sharp line of distinction between the class positions taken by different social and ideological-political forces. Certain right-wing bourgeois media often contradict themselves on this point. On the one hand, they are compelled to admit to the broad scale and creative character of Soviet plans. On the other, they dismiss the prospects outlined by the CPSU as unrealistic, distort the facts and question the plans' feasibility. This is characteristic of vulgar anti-communism ignoring as it is the new system's colossal creative potential and advantages.

Western comments on the new Soviet plans are most contradictory and range from admitting their feasibility to calling them "utopian" or even "fantastical." This comes from the clash of interests inside the bourgeoisie as a class operating both within national limits and in the system of interimperialist relations. In evidence here is another contradiction—typical of our time—in the bourgeoisie's stand with regard to socialism: a contradiction arising from the international character of the antagonism between the two social systems. Monopoly capital cannot but reckon with the requirements of "world general economic relations" which Lenin referred to as the objective foundation of the policy of peaceful coexistence; it cannot, by its "imperial" will, erase socialism from the world economic system, let alone the entire system of international relations. Neither can it afford to cut itself off from world socialism. However, the conclusions—political conclusions, above all—drawn from this vary.

Here is a characteristic example. The *Journal of Commerce*, a mouthpiece of U.S. business circles, described the Soviet economic programme as the greatest threat to America, while many in the United States see it as a gold mine for American business—and for West European and Japanese business as well, for that matter.

Certain quarters in the West are trying to create the impression that—to quote the F.R.G.'s *Die Welt*, for instance—"in the case of the Soviet Communists, a realistic programme is impossible." Such banal assertions are "backed up" by equally trivial arguments for the need to "revive capitalist methods."

These views are as old as anti-Sovietism. "Ever since the Bolshevik Revolution of October 1917," Ralph Miliband, a sociologist close to the Labour Party, comments with good reason, "anti-communism has been a dominant theme in the political warfare waged by conservative forces against the entire left.... The intensity and forms of anti-communist propaganda varied from country to country and from period to period." Nevertheless, even certain bourgeois media display a clear enough understanding of the fact that the plans advanced by the 27th Party Congress do not set unrealistic goals, that the CPSU assesses its experience realistically and draws upon it.

Continuity and Innovation

The correlation between **continuity** and **innovation** in Soviet policy is one of the cardinal problems meriting attention in this context. Certain Western commentators polarize continuity and innovation, severing the dialectical link between them. Hence the irritation caused by the ideological unambiguity of the CPSU's objectives. Dislike for scientific socialism and Marxism is equally characteristic of those who censure the Programme adopted by the 27th CPSU Congress on the grounds that it "extols the October Revolution and Lenin" (*Il Popolo*, Italy), and is faithful to the basic communist principles and ideals referred to as "strictly orthodox positions" (*Le Monde*, France); and of those who have somehow discerned in it "a major departure from traditional goals" (*New York Times* and *International Herald Tribune*). What's more, some have zealously applied themselves to looking for "fundamental differences" between the Third Programme of the CPSU and its new edition endorsed by the 27th Party Congress. The latter is alleged, on no grounds whatsoever, to have "abandoned the communist perspective" and to have all but "discarded communism and replaced it with

Western concepts." Neither the continuity of revolutionary traditions and experience, nor the CPSU's innovatory conclusions and assessments please anti-communists for the obvious reason that all this refutes anti-Marxist postulates to the effect that revolutionary theory is "deadlocked" and socialist society "fossilized."

Remarkably, when the political report of the Central Committee to the 27th CPSU Congress, the new text of the Programme and other documents of our Party were under discussion, the world community did not fail to note the inherent multifariousness of their dialectical content and, in particular, the dovetailing of the economy and politics, short- and long-term objectives, domestic and international factors analysis.

Indeed, the entire complex of problems involved in the development and improvement of socialism cannot but be viewed in the context of the **competition** between the two world socio-political systems.

In this connection, too, the spotlight is on the strategy of accelerating socio-economic development—this highway along which the Land of the Soviets is to advance to its ultimate communist objectives. The daring and political determination of this strategy has won it the respect of broad sections of the world community. It is perceived as an integral programme brought to life by factors deeply rooted in objective reality. A number of Scandinavian, French and British papers rightly describe this programme as a concentrated expression of the experience gained in socialist construction.

What does the strategy of acceleration mean from this viewpoint? It involves a most intricate complex of wide-ranging questions and aims at major changes in the sphere of productive forces—changes called for by a new phase in the scientific and technological revolution. This strategy of acceleration offers a socially-justified and constructive solution—in conditions of socialism—to problems brought about by the modern scientific and technological revolution. It differs in principle from the anti-labour, purely "technocratic" approach to modernization adopted by many high-ranking managers operating under the conditions of a capitalist economy.

The ruling circles of state monopoly capitalism and modern TNC tycoons are in no position to prevent the aggravation of social conflicts resulting from technological innovation. Under private ownership it is only big businessmen who stand to gain from the fruits of the scientific and technological revolution. The military-industrial complex channels the latest advances in science and technology into the sphere of arms production, for the most part. The Soviet strategy of acceleration furnishes yet further proof of the fact that the socialist system gives the greatest scope for the development of the productive forces created by modern science and technology.

Further, one must bear it in mind that genuine economic progress is impossible in isolation from the social and political conditions in which it occurs. The Soviet strategy of acceleration takes this into account. In the capitalist world there is no economic programme which would include as a constituent part a provision for **promoting the initiative of the masses, extending their rights, and enhancing real political—let alone social—democracy**. On the contrary, under capitalism the scientific and technological revolution brings new encroachments on the rights of working people and on democracy itself, ranging from total electronic surveillance to attempts at manipulating public opinion and suppressing resistance of the masses to the militaristic policy of imperialism; from profound social differentiation to the "de-socialization" of vast sections of the population forced down to the "lower depths."

The strategy of acceleration adopted by the 27th CPSU Congress differs in principle from the trends inherent in capitalism. After all, it is a programme for an all-round extension and improvement of socialist democracy, for the further deepening and development of people's self-government. In other words, the strategy of Soviet Communists aims at stepping up the working people's activity in all spheres of public life, and mobilizing all the creative forces of the popular masses. The achievement of these goals will contribute to an economic, social, political and spiritual climate worthy of man.

Spain, 1936—1939:

The First Battle Against Fascism

Fifty years ago the Spanish people's national-revolutionary war against fascist rebels and Italian-German interventionists began. No sooner had the reactionary generals and fascists, out to destroy

the Spanish Republic, stirred up a rebellion (on July 17-18, 1936) than the country's progressive forces took up arms against them in defence of democracy.

Brotherhood Sealed with Blood

Antonio Garcia Cano, a Republican ex-pilot, recalls.

"In the first months of the war the situation around Madrid took a turn for the worse. The Francoists were concentrating their efforts on taking the capital as early as possible, hoping that would compel the Republicans to lay down their arms throughout the country. Many thought then that the Republic's days were numbered. The rebels controlled six of the seven motor highways leading to Madrid. Backed by Moroccan units, they captured Talavera and Toledo and broke through into a Madrid suburb. The university campus, Casa del Campo and Carabanchel became arenas of fierce fighting.

"The Francoist radio daily beamed on Madrid crudely concocted programmes simulating the Francoists' triumphant entry into the city, to the accompaniment of the braggadocio of General Mola, their commander-in-chief, who swore that on November 7, 1936—the anniversary of the October Revolution—he would drink his afternoon coffee on the verandah of the Café Molinero on Gran Vía, in the centre of the capital.

"It was then that the expression 'fifth column' emerged. It stood for those who were to help the Francoists capture Madrid. The rebels advanced in four columns. The role of the fifth column, which the aforesaid Mola mentioned in his effusions, was assigned to the saboteurs, spies and Franco supporters the city swarmed with.

"The situation was hard, indeed. It was made worse by the fact that the Largo Caballero government had fled

the city in haste. We were fighting against heavy odds—the rebels had at least ten times more planes than we had. The city was bombed day and night by as many as 40-50 planes a day, chiefly Junkerses, Heinkels and Fiats.

"And what about the Republic?" Antonio Garcia Cano, once a Republican airman, asked himself. We were discussing in his Moscow flat the events of fifty years ago. "The constitutional government had practically no aviation at first. In line with tradition, most air force pilots came from the nobility—flying was considered a prestigious occupation. Dukes and marquises joining the air force did not surprise anyone. It was only natural, therefore, that after the mutiny had broken out the overwhelming majority of air force officers sided with Franco, with only the more progressive amongst them offering their services to the Republic. The latter included Ignacio Hidalgo de Sisneros, appointed commander of the Republican air force, Captain Antonio Martin Luna, and some others.

"Most of the planes and aviation equipment fell into the hands of the Francoists. Besides, the fascist powers—Germany and Italy—openly supported Franco from the outset. On July 25, only a week after the Francoists had broken out in revolt, Hitler promised them planes. Shortly afterwards German aircraft did arrive in Spain. As early as July 30, Italian Capronis and Fiats bombed Spanish cities. Altogether, German and Italian fascists supplied no less than 1,650 planes to Franco in the course of the war.

"The Republicans," Antonio Garcia went on, "confronted not only the rebels, but also a deadly fascist war machine. As for the Republic's aviation, it began practically from scratch. We lacked flying personnel and combat aircraft and had to do something about it promptly, in extreme conditions. A flying school was opened in San Javier de la Rivera, Murcia Province, early in August 1936. Its first cadets were ordinary fighting men, fitters and mechanics. At the same time groups of trainees were sent to France and to the Soviet Union to learn flying there. Having gone through an accelerated course of instruction, these men later formed the backbone of our aviation's flying personnel.

"The young airmen fresh from flying schools completed their education in dogfights under the leadership of highly competent Soviet pilots who had volunteered to help us defend the freedom of the Spanish people. We flew planes supplied by the Soviet Union—the I-15 ('chato,' or snub-nosed) and I-16 ('mosca,' a fly) fighters which proved excellent.

"Committed to action in the sky over Madrid, these machines frustrated the Francoists' plans to take the capital. At the beginning of November 1936 our aviation first showed them that it was a force to be reckoned with. Madrid was not conquered then, and Franco was able to capture it only at the very

Defenders of Madrid.



Hitler and Mussolini helped Franco with the connivance of the Western powers. Italy and Germany sent planes and tanks, guns and ammunition to the rebels. Italian and German officers and men fought on the side of the Spanish fascists.

The rebels and interventionists thought the war would be a walkover but they proved wrong. Vigorous resistance was offered them. The Spanish war became a crucible for the internationalist brotherhood of workingmen and fighters for the freedom and happy future of mankind. Thousands of anti-fascists from various countries joined the international brigades which fought in the

trenches of Spain. The Soviet Union rendered the Republic substantial aid in arms and powerful political support. Many Soviet airmen, artillerymen, tankmen and sailors volunteered for the first anti-fascist front.

At that time, half a century ago, fascism managed to hold out. But its short-lived success had in it the seeds of its future defeat. The rout of fascism by the Soviet Union and by the anti-Hitler coalition in the spring of 1945 was, among other things, a retribution for the fall of the Spanish Republic. This great victory provided a prerequisite for the restoration of democracy in Spain.



On April 26, 1937, German aircraft supporting Francoist rebels ruthlessly bombed Guernica, a tiny town and seat of an ancient culture in the Basque country. The great Spanish Communist painter Pablo Picasso stigmatized this crime in "Guernica," a picture he produced shortly afterwards, which warned humanity of the threat fascism spelled to the world.

end of the war—in March 1939. Much credit for saving Madrid in the autumn of 1936 went to Soviet and our own airmen. As far as Spanish pilots are concerned, Fernando Claudin, a man of great courage, the commander of a group of the I-16 fighter planes, and Jaime Mata, an SB squadron leader, are worthy of special mention."

Antonio Garcia fell silent, and I felt he was thinking back to those distant and difficult years, to the battles in which he had taken part. It was a silence not to be disturbed.

"For all their tragic outcome," Antonio said at length, "the events of those years are dear to me because they demonstrated a truly fraternal solidarity and showed how important it is to pool the efforts of all upright people in moments of common danger. What happened in Spain—and it was the first clash with fascism—concerned not only Spaniards, but all mankind. That was why so many people from various countries—France and the Soviet Union, the U.S.A. and

Germany, Bulgaria, Canada and many other countries—came to Spain to help us in our hour of need.

"We held Soviet airmen in especially high esteem. Mixed air squadrons composed of Spaniards, Soviet pilots and citizens of other countries fought over Madrid, in Aragon, Asturias, and at other fronts. As a rule, however, the command of a squadron was given to a Soviet pilot. We trusted them with our lives because we knew that comrades from the Soviet Union would never let us down. We were greatly impressed by their fearlessness, courage, their readiness to give up their lives, without a moment's hesitation, for a democratic Spain."

Antonio Garcia told me about an incident at the Catalan front. In one of the squadrons Sergei Gerasimov, a Russian, and Alfonso Garcia, a Spaniard, always flew on combat missions together, with Sergei leading and Alfonso as wingman. In combat, every pair of fighter planes must fly in tight forma-

tion under the leader's command. On that day Alfonso Garcia broke away in the heat of a fight to give chase to an enemy plane. He didn't notice he was being lured into a trap, he lost sight of everything—including the leader whom he was to protect—except his target. But Gerasimov sized up the situation in an instant, saw that his wingman was in danger and rushed to the rescue. The Soviet airman tail-attacked the fascist plane and set it on fire, but was shot down himself.

Alfonso Garcia returned to base and reported the incident to the commander. His comrades had seen everything from the ground anyway. Gerasimov had died to save his comrade-in-arms. Alfonso Garcia was inconsolable, he tormented himself with remorse for his irresponsibility. He held himself responsible for the Soviet airman's death and wanted to atone for his guilt but didn't know how. Finally, he decided to adopt his leader's first name and surname, and became Sergei Gerasimov.

"What Garcia did may sound naive," Antonio Garcia Cano remarked, "but it came from the heart."

Later it turned out that the Soviet airman Gerasimov had miraculously landed his burning plane and lived. Spanish peasants found him, gave him first aid, and he returned to the regiment. From then on there were two Gerasimovs, namesakes, or rather blood brothers, on its personnel roll, one Russian and the other Spanish.

After the Spanish civil war Alfonso Garcia-Gerasimov emigrated to the U.S.S.R. with a group of Republicans. On June 22, 1941, Hitler attacked the Soviet Union, and Garcia went to the front again, this time to defend his second homeland. At Soviet-German fronts the Spanish pilot displayed great courage which brought him a number of Soviet orders and medals. He returned to peaceful work after the Victory, and now lives in Novolipetsk.

Alfonso Garcia was just one of many Spaniards who fought in the ranks of the Soviet army (specifically, in the Soviet air force) against Hitler's fascism. Some of them—Alfonso Garcia and Antonio Garcia Cano, for instance—have thrown in their lot with the Soviet Union forever. Leopoldo Morquillas, Antonio Arias and Ladislav Duarte, now living in Tula, Minsk and Gorky, Manuel Zarausa ... are worthy of every praise.

Jose Maria Bravo, one of the finest Spanish airmen, flew one of the fighter escorts that accompanied the plane with



Members of the International Brigade: Ferdinand Kosovsky of Bulgaria, Mate Zalka of Hungary, Galleani of Italy and Pavel Batov of the Soviet Union. The last-named subsequently rose to the rank of army general and was twice awarded the title of Hero of the Soviet Union.

the members of the Soviet delegation on board to the Teheran conference.

The friendship, brotherhood and internationalist solidarity born in aerial fights over Spain, in the trenches of Aragon, Catalonia and Asturias were cemented at the fronts of the Great Patriotic War. In both wars, Spanish and Soviet soldiers fought their common enemy—fascism.

A. MEDVEDENKO

A Night-time Ram Attack

Evgeny Stepanov, Hero of the Soviet Union, a Soviet airman who fought in the Spanish civil war, shares his reminiscences.

Our group of volunteer airmen headed by Ivan Devotchenko was sent to the Republican air force headquarters near Valencia. It was a sweltering hot day, and slender palm trees rose sharply against the bluest sky I'd ever seen. We were thirsty, and my first Spanish word was "agua" (water).

"You are to go to the Aragon front and join the squadron of the I-15 fighter planes commanded by Anatoly Serov. The squadron has taken part in many major battles and is now supporting the Saragossa offensive operation the purpose of which is to divert rebel forces from the Northern front. It has not got a single defeat or

casualty in its combat record. We are sure you'll also fight at your best," Evgeny Ptukhin, the senior adviser to the Republic's air force, told us.

Our squadron had a very busy time in August 1937. On some days we flew as many as three or even five combat missions, escorting bombers, reconnoitring and air patrolling, which often ended in dogfights.

Trying to stop the advance of the Republican columns south of Saragossa, the fascists systematically bombed them. As we were frontline-bound on an alert mission one day, we spotted two-engined planes, escorted by Fiats, coming in from behind the Iberian mountains. They were flying against the sun, and Serov's flight charged them. Serov and Walter Korouz, an Austrian, riddled the leading bomber with bullets almost at point-blank. Nikita Syusyukalov,

Semyon Evtikhov and myself attacked the bomber which brought up the rear of the column. It was a two-engined Dornier-15. It ducked sharply, banked to the left and headed for Saragossa. I kept firing at the plane from the left, and Nikita from the right, until it finally hit the ground and blew up in flames.

Carried away by this sight, I didn't notice a Fiat spatter my plane's empennage and left side with fire, putting the engine control system out of action. At maximum revs, I sent my "chato" into a spin and withdrew from combat. Semyon Evtikhov downed the Fiat which had attacked me. After we'd made base, Anatoly Serov congratulated my flight on its performance.

The fighting got fiercer from day to day. In September we were busier still. Each of us logged 60-85 flying hours in three months, with the annual peacetime rate being 100-120 hours.

...Serov walked briskly up to the airfield, buttoning up his helmet as he went.

"Devotchenko's and Pleshchenko's I-16 squadrons are fighting over Huesca. Off we go!"

As we approached the scene of the battle, we saw at once that the enemy planes were superior in numbers. Serov climbed to 3,500 metres and led his squadron to a railway bend north of Huesca. Our I-16s were fighting Fiats and Messerschmitts over a vast area. Everything was in confusion, and I had a hard time telling our planes from enemy ones. A large group of Junkerses arrived on the scene at the same time as us. Serov tipped his wings signalling to us to go into action. A swift dive by fifteen or so I-15s on a rather dense formation of fascist bombers ended in two of the Junkerses catching fire. The

Excerpts from the collection "We Are Internationalists" soon to be brought out by Political Literature Publishers.

Nova Doba Is 35 Years Old

In noisy Vaclav Square, in the very heart of Prague a group of Czechoslovak journalists and translators prepare the journal Nova Doba, New Times in Czech, for the press. They occupy a few small rooms in the huge building of the trade union Prace Publishing House.

Its maiden issue came out in July 1951, six years after the culmination of the national liberation movement in Czechoslovakia, and its deliverance by the Soviet Army from the nazi yoke.

The friendship of our peoples was sealed with the blood spilled in fighting the common enemy. In the decades since Victory this friend-

ship has strengthened and broadened. After their national democratic revolution, followed soon afterwards by a socialist one, the country's working masses, led by their vanguard, the Czechoslovak Communist Party, undertook to shape a new society and have scored resounding successes in all spheres.

Over this period they have made a stride forward, which would in other circumstances have taken centuries. The changes have affected not only the economy and social affairs, but even the individual's world outlook and moral make-up. The striking features of the working mood of Czechs and Slovaks today are

their enthusiasm, and unshakable confidence in the future, a future marked by stability and peace.

It gives us pleasure to observe that New Times has also been of modest assistance to our Czechoslovak comrades in their record of achievement. Our weekly magazine energetically advocates peace, peaceful coexistence of states with differing social systems, promotion of equal cooperation between them, greater unity of the U.S.S.R. with the socialist countries, détente in Europe and throughout the world, while opposing the arms race and preparations for a nuclear war. It

expounds the viewpoint of the Soviet public on a broad range of international issues. The editors of our journal in Czech are doing fine and useful work by putting this viewpoint across to the broad reading public in Czechoslovakia with a high standard of journalistic and translation skill.

We would like to avail ourselves of this occasion of Nova Doba's remarkable jubilee to wish its close-knit staff further achievements. We also wish the employees at the Prace Publishing House which puts out the magazine every success in their work. We heartily salute our readers in Czechoslovakia and send them every good wish for their work and their social activity.

Editors of New Times

next attack was a failure. A group of Fiats charged us suddenly from a higher altitude.

The fight was a dizzy whirl of fire-spitting planes. As I disengaged myself from the first encounter, I sensed rather than saw a plane flying alongside. Syusyukalov? No, it was a Fiat! A sudden fear overcame me. The fascist pilot throttled down and fell behind me a little, so as to manoeuvre himself into a firing position. I nosed up sharply,

Backed by Germany and Italy, the rebels initially enjoyed overall air superiority. No wonder the Republic's call "Join the air force to halt fascism!" was so vital.



half rolling to the right, and attacked him head-on, with my four machine guns blazing away. The Fiat was no more. On later inspection, my plane (tail number 06) turned out to have a lot of bullet holes in it—even the undercarriage struts were pierced in two places.

After the Republicans had captured the strongpoint of Belchite on September 6, 1937, the command withdrew a large number of troops from the front—the army needed to rest and regroup.

We settled down at the Sabadell airdrome near Barcelona. The war fatigue gradually wore off, and our nerves relaxed—we were young and strong then. Our flights took turns patrolling the sky over Barcelona. At leisure we used to go to town to see a movie or a play, to saunter along the boulevards, sit around a café, dance—and, of course, enjoy the famous corrida.

Ilya Finn and I were on combat duty on the night of October 27. At about 3 a.m. our look-out posts reported loud engine noise on the coast, 40 km north of Barcelona. We took off right away. Presently I spotted a flight of bombers, widely spaced, flying at an altitude of about 2,000 metres across the moonlit sky.

I engaged the leading plane. The gunners of the Italian Savoia-Marchetti-81 bomber saw me and opened fire. I gave the bomber a burst from 15-20 metres away, setting its left wing on fire. Another burst got its right wing, but the bomber was still airborne, carrying

its deadly load to the city. There was no time for reloading the machine guns, so I accelerated, tipped the plane slightly to the right and hit the bomber's tail unit with my left wheel, come what might. The bomber crashed to the ground.

The collision tossed me up, and I hit my head against the instrument board. The engine shook a little but still pulled hard. After I had levelled off my plane I saw, some 50-100 metres above me, another bomber making a dash for the coast to the left of Barcelona. It was sharply outlined against the moonlit sky. I went after the bomber and fired a number of long tracer-bullet bursts at it. The bomber fired back. I kept gaining on it and pumped another round of bullets in. A dazzling blast came, and then it was all over.

The following morning, Republican patrol boats detected oil stains on the sea surface. Seamen brought to the Barcelona town hall fragments of corrugated metal they had fished out of the water. Later, Evgeny Ptukhin, F. Agaltsov, V. Andriashenko and Anatoly Serov went to see the place where the first plane had fallen. They congratulated me. After the ram attack, I hadn't managed a "classic" landing: my plane had to have its screw propeller and its left wheel replaced.

Much later, back home, I learned that the Italian Savoia bomber I had downed over Barcelona was the first ever plane to have been rammed at night.

Initial Results of the Economic Reform

MIKHAIL YAKOVLEV

An economic reform was launched in China more than seven years ago. A good deal is being said and written about it both in the country and abroad. In China the reform is called "history-making" and "a second revolution" and is seen as the only correct way of "building socialism with a Chinese face."

The December 1978 meeting of the Central Committee of the Communist Party of China proclaimed a new political and economic course and thus launched a drastic reconstruction drive in the countryside, where 80 per cent of the population live. The purpose of the agrarian reform was to revitalize agricultural production and make it more efficient by linking it to market demand. Under the new policy, the former cooperatives were virtually disbanded while the land, which is collective property, was leased out to farmers. It was the farmstead that, according to Chinese theorists, became the pivot of production and other economic activity in the countryside.

At present every farmstead (family) concludes with the collective—the rural community or the production team—a contract under which it gets a plot of land on lease, pledges to fulfil definite production quotas, make deductions to the collective fund, pay taxes, and has the right freely to dispose of the surplus product. Small canteens, formerly the property of collectives, are also leased out nowadays.

The system of production responsibility is believed to stimulate the individual labour activity of farmers, their initiative and enterprise and eventually boost productive forces in the countryside and bring about general welfare.

The initial results of the reform are already in evidence. Over the past five years gross agricultural output has been growing by an average of 8.1 per cent a year. Bumper crops have been harvested: almost 380 million tons of grain in both 1983 and 1985 and more than 407 million tons in 1984, an especially good year. "The country has become self-sufficient in grain and cotton," Chinese leaders say. To consolidate this trend, the government has abolished mandatory supplies to the state and the state monopoly on the marketing of

basic farm products, including grain. As from this year, contracts are concluded with farmers to purchase from them fixed quantities of output at guaranteed prices.

The rapid development of local industries, that is, industries run by districts, communities and small towns, is characteristic of the Chinese countryside today. They are viewed as an "active motive force" in the implementation of the agrarian reform. Tian Jiyun, Deputy Premier of the State Council, said that "the industries of districts and communities have become the economic backbone of the countryside in some regions."

Since the reform was launched, farmers' incomes have grown by an average of 65 per cent (by 44 per cent, with price rises taken into account). Food supply has markedly improved after many "hungry" years. Housing conditions are improving as well, with new houses springing up all over the country. Farmers are buying more and more consumer goods, including durables, such as TV-sets and refrigerators, washing machines and motorcycles, which were considered luxuries only a few years ago.

Yet, according to official statistics, 70 million farmers are still poor. The statistics rank families with a per capita annual income of below 200 yuans as "poor" farmsteads. Meanwhile, retail prices for food and manufactured goods grew by an average of 8.8 per cent in 1985 over the previous year and by 19 per cent during the five-year period as a whole.

The economic reform was extended into cities in late 1984 to give an impetus to industrial production and improve management. Emphasis was laid on the modernization and reconstruction of existing industries rather than on large-scale capital construction,

and on the introduction of new technology and processes.

The reform in the cities has several goals, such as to make industries more robust and foster energy and initiative in work collectives which in the past had largely been fettered by excessive control from above. Innovations are applied mainly to small and medium-sized plants, with managers given more personal responsibility and plants themselves broader rights in production, while the number of plan targets set from above have been substantially reduced. While before the reform plants did not have anything to do with marketing, now many of them market on their own above-quota or extra-plan output.

The economic reform has brought certain results, Zhao Ziyang, Premier of the State Council, said in his report on the draft seventh five-year economic and social development plan (1986-90) at the latest session of the National People's Congress. The reform has made decisive progress primarily in the countryside. The rural economy is turning towards specialization, commodity production and modernization. According to Zhao Ziyang, the reform in the city, "carried out to one degree or another in planning, finances, taxation, prices, banking, trade, employment, wages, etc., encouraged the economic activity of the people on an unprecedented scale."

The results of the five-year period as a whole are quite impressive too. The average annual increment in gross industrial and agricultural production was 11 per cent. China advanced from being the world's fifth to the world's fourth largest steel producer, from the sixth to the fifth largest electricity producer, and from the third to the second largest coal producer. In 1985 it produced 46.66 million tons of steel, 850 million tons of coal, 125.4 million tons of oil and 407.3 billion kilowatt-hours of electricity.

Unemployment has been reduced considerably over the past five years. More than 35 million jobs have been created in cities and communities. The average annual incomes of workers and employees, Tian Jiyun said, grew from 762 yuans in 1980 to 1,176 yuans in 1985 per employee, while the farmer's average annual income rose from 191 to 400 yuans.

Urban and rural markets became better supplied with manufactured goods and farm produce and rationing cards for many consumer goods were cancelled; the exceptions are flour, groats, and vegetable oil. Housing

construction has considerably expanded.

China's economic progress, Zhao Ziyang noted, became possible because it set about "reforming the old economic system and building an open-type economy," and found "a new path corresponding to its realities."

Explaining the essence of the new economic system, the Chinese head of government said that "the commodity-oriented economy that China is to develop is, generally speaking, a socialist commodity-oriented economy. This commodity economy is based on the public ownership of property, is true to the principle of distribution according to work and functions under plan and control."

Yet along with indubitable achievements, the Chinese economy has a number of serious problems related to the economic reform. They made themselves felt especially strongly in late 1984, when, as Chinese economists noted, "a number of new destabilizing factors arose." These include, *inter alia*, excessively high growth rates in industry, inordinately large capital investments in fixed assets, unjustified expenditures of material resources, dwindling currency reserves and strains in power supply, transport, communications and supplies of raw material. Capital investments grew by 75 per cent last year over 1983, whereas the national income rose only by 28 per cent.

This problem also explains why the state can no longer control economic growth rates. In the first half of last year they rose by 23 per cent over the same period in 1984, and it was only thanks to emergency measures that they were brought down to 10 per cent by the end of 1985 (the construction of many "new extra-plan projects" was

suspended or cancelled altogether in a number of provinces, autonomous regions and centrally-governed cities). The new five-year plan fixes the growth rate at 7-8 per cent a year so that the gross output of industry and agriculture should have increased by 38 per cent by 1990.

The problem of unemployment remains acute, with joblessness standing at 20-30 per cent in cities and up to one third of the economically active population in the countryside. Zhao Ziyang said that the reform had released about 100 million workers in the countryside, or about a third of the rural work force. These farmers do not leave their homes but try to find jobs in district and community industries. These industries, according to the statistics of the Ministry of Agriculture, Animal Husbandry and Fishery, employ more than 60 million, or one-fifth of the Chinese rural work force.

Today not only privately-owned and cooperative but even public industries and businesses commonly conceal a part of their profits and push up the prices of their products.

The Chinese press highlights a number of complex negative effects in the social sphere. Lust for profit, attempts to misuse the reform for selfish purposes and engage in illegal activities, such as smuggling and marketing fake goods, have manifested themselves in many regions. Yet these negative phenomena are not summarily imputed to the reform. "The reform is not to blame for theft and embezzlement, bribegiving and bribetaking, extortion and blackmail," Li Dengying, Chairman of the Standing Committee of the National People's Congress of Gansu Province, said at its recent session. "These ills could have arisen without

it as well." Economic innovations in the country, such as decentralization in planning and management, broader powers granted to plants and the greater personal responsibility of managers, are outpacing the legislative acts intended to regulate them. This gap, naturally, creates the breeding grounds for deviations, deliberate or inadvertent, from plans and objectives. The above-mentioned problems in capital construction and the excessive growth rates in industry exemplify these adverse side effects.

The Chinese leaders are undoubtedly taking account of political, economic and social realities in the country. They say that the reform is exceptionally important to China because the overall objective is to reach the economic and technological level of a medium-developed country in the next century. This depends entirely on the success of the economic reform with the emphasis on town. Hu Yaobang, General Secretary of the Communist Party, said recently: "We need at least 30-40 years to approach the level of the advanced world. We firmly believe that this target can be reached."

The optimism of the Chinese leaders rests on their belief that, as they say, a way of "building socialism with a Chinese face" has been found. Every socialist country is developing in its own way, which merely confirms the prediction of Karl Marx that there can be countless variations and gradations of the same basis in its specific manifestations. As outdated economic structures and managerial methods of the pre-reform period have been brushed aside, the way has been cleared for a quest for better forms and methods of economic management.

These buses burn the natural gas that they carry in plastic containers.

Photo from the National Geographic Magazine (U.S.A.)



July 19—Revolution Day

A Revolution That Can Defend Itself

As they demand more and more millions of dollars to arm and maintain the contras, the White House and the Pentagon are assessing the chances of the "freedom fighters" entrenched in Honduras and Costa Rica. But no computer can assess such factors as the people's self-denial and heroism, or their resolve to uphold their freedom and independence. What multiplies the strength of the people of Nicaragua manyfold is their certainty that the cause for which they are fighting is righteous and just.

Today in this grim hour every patriot deems it his duty to defend his country. Besides the soldiers of the Sandinist People's Army (SPA) drafted into the armed forces under the Act for Patriotic Military Service there are the anti-irregular battalions and other territorial militia units.

The result of the resistance offered by the nation can be seen from these diagrams and maps. Though equipped with the most sophisticated weapons, the American mercenaries are being driven back with increasing intensity, in direct proportion to Washington's escalation of its undeclared war.

Resistance Grows

As from early 1981 and up to the summer of 1982 the CIA mustered armed gangs of escaped Somozists, augmenting them with Cuban counter-revolutionaries and various other adventurers. During that period the bandits confined themselves to isolated brigand raids across Nicaragua's frontiers. However, in March and April 1984 a series of blows were struck at the republic by land, naval and air forces and, in line with a CIA directive, its ports were mined. From mid-March on, large groupings of contras, some 11,000 all told, infiltrated Nicaragua from Honduras and Costa Rica, starting the first CIA-led large-scale offensive. Between 6,000 and 8,000 mercenaries penetrated in depth, while some gangs

Daniel Ortega: We Shall Hold Out

On the seventh anniversary of the Nicaraguan revolution our Managua correspondent Vladimir Dolgov asked President Daniel Ortega to give his views on the present situation in his country.

"Our revolution's basic achievement," President Ortega said, "is that we are celebrating its seventh anniversary despite the Reagan Administration's attempts, over a period of more than four years, to do away with us. By repulsing Washington's policy of military, economic and political terror we have scored great successes which nobody can now take away from us.

"This is the first time that the people of Nicaragua have been masters in their own home. Morally and politically this is decisive for the masses. Nicaraguans realize that they are writing their own

history and building and defending their own country. No wonder their national consciousness is growing, even though they have to endure tremendous privations and face the social and economic problems resultant from U.S. aggression.

"It is quite obvious that U.S. designs to crush the revolution have failed and are doomed to fail. This is the greatest victory our people have won.

"Yet it must be said that serious damage has been done to our social and economic programmes. The achievements of the initial years of the revolution and the very lives of the people of Nicaragua are constantly in jeopardy. People are being killed. We are forced to overstrain ourselves to survive and maintain the education and health systems at their present levels without even beginning to think

crossed in from Costa Rica to open up a southern front.

1984. The main engagements with the contras were in the departments of Jinotega and Nueva Segovia, as well as in the south in the departments of Zelaya and Boaco. A major contra stronghold of the regional Rafaela Her-

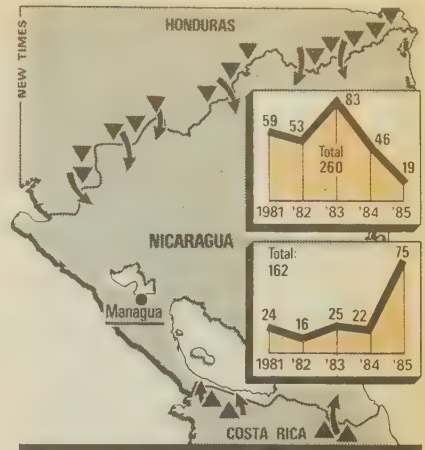
raera command in Jinotega, the Astro base in southern Zelaya and a task strike force in Boaco were crushed.

1985. In July and August, contra gangs overran northern Nicaragua from Honduras. The main battles were fought in Nueva Segovia and Jinotega. Sorties here were coordinated with smaller

The theatres of hostilities are shaded, the arrows designate strikes by the Sandinist army.



From the territory of Honduras



From the territory of Costa Rica

had infiltrated Nicaraguan airspace from Honduras, was likewise shot down over the department of Matagalpa.

1984. Three helicopters, one of which carried two U.S. civilians, as well as another overflying Teotecacinte in Nueva Segovia, plus a C-47 aircraft in the department of Jinotega were shot down.

1985. Five helicopters were shot down in June: three in Wamblan (Jinotega) and two in Nueva Segovia. A Cessna plane was downed in southern Zelaya.

Managua's Peace Offensive

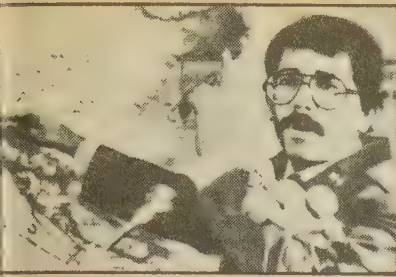
August 1981. Nicaragua proposes a non-aggression agreement with Central American neighbours allied to Washington provided the U.S. ends its aggression and stops giving aid to the mercenaries.

March 1982. Nicaragua is compelled to raise the matter of the escalation of U.S. aggression at the U.N. Security Council. In its nine-point programme it reaffirmed its desire to normalize relations with the U.S. and immediately conclude non-aggression treaties with its Central American neighbours.

March 1983. At a U.N. Security Council meeting, called at Nicaragua's request, Nicaraguan delegates urge the U.S. to end the war against their country.

April 1984. The Sandinist government lodges a complaint against U.S. acts of aggression at the International Court of Justice at The Hague. These include the mining of Nicaraguan ports, sabotage and aid to the contras.

June 1984. With the U.S. election campaign under way the Reagan Administration accepts the Nicaraguan offer to start a dialogue. Talks begin at deputy



expanding them. However, our people are firmly resolved to preserve their achievements.

"Politically, the drafting of our constitution is of supreme importance for us. Objecting to our having a constitution, the legal embodiment of our revolution, the U.S. is determined to obstruct this. We know that the U.S. Embassy is trying to influence the political parties represented in the National Assembly to make them refuse to participate in a discussion of the draft constitution. Washington wants that to be the concern of the Sandinist National Liberation Front alone. All I can say is that we are utterly resolved to adopt a constitution whether the political parties

take part or not. This is a great struggle, and hopefully we shall win, despite U.S. counteraction.

"In these days of celebration I would like especially to note the role the working masses—factory workers, peasants and day labourers—play in the life of our state. The principles of the worker-peasant alliance are demonstrating their effectiveness more and more conclusively. It stands to reason, though, that the evolution of Nicaraguan society is attended by many conflicts and contradictions. Nonetheless the worker-peasant alliance goes from strength to strength with every passing day. We regard this unity as an earnest that we shall overcome and repulse aggression. Pooling their efforts, the working masses in both town and country produce more for defence, while striving to satisfy the population's vital requirements.

"Though we have our own internal reserves, we also rely upon international political and economic solidarity, especially upon the support of the Soviet Union, whose people are rendering fraternal assistance to the people of Nicaragua."

clashes in the south and in the central region to divert SPA attention from the main theatres. This was the first time the contras had launched such a sweeping offensive.

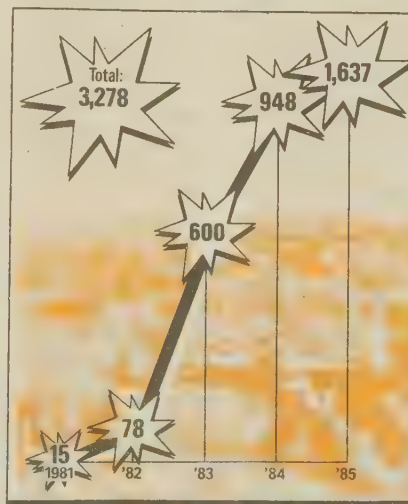
There was bitter fighting outside the town of Esteli in the department of the same name when a gang of nearly 4,000 contras advanced right up to it. However, they suffered heavy losses and were hurled back, with SPA detachments capturing the contra base camp in San Pedro. In La Penca, the contras were forced to withdraw from their secret airfield, other contra camps were smashed in Rapidos de Kiawas, Cerro Somopine, Caño Poncayo, and Aguas Calientes.

1986. According to a Nicaraguan Defence Ministry communiqué, in March SPA detachments pursued retreating contras in the areas close to the northern border and smashed several of their camps, including their "main military training centre."

Air Pirates Downed

As early as November 1985 the U.S. Administration purchased sundry military equipment, including torpedo boats and airplanes, for the contras, using some of the \$27 million assigned for humanitarian purposes." With the aid

ENGAGEMENTS BETWEEN SANDINIST ARMY AND CONTRAS



of El Salvador and Honduras the contras began to form their own air and naval forces.

1983. In September raiding aircraft were downed near Sandino Airport in Managua and in the department of Rio San Juan. Both planes had taken off from Costa Rica. Another plane, which



The people of Nicaragua carefully preserve everything associated with the memory of their national hero Augusto Cesar Sandino. A most precious relic is his personal seal which he used to endorse many historic decisions and acts adopted during guerrilla warfare against the U.S. occupation forces at the turn of the 1920s and 1930s. The slogan "Homeland and Liberty" engraved thereupon was adopted by the Sandinists as their motto.

foreign minister level in the Mexican health resort of Manzanilla.

November 1984. With the U.S. presidential elections only a few days old, the American Administration unilaterally breaks off the Manzanilla talks.

February 1985. Nicaragua proposes the withdrawal of all foreign military advisers from the Central American states and a moratorium for an undefined period on the purchase of new types of weaponry by these states. The Nicaraguan government invites U.S. Congressmen to come and see for themselves that its military system is of a purely defensive nature.

May 1985. Nicaragua proposes to the U.S. that bilateral talks at Manzanilla be resumed.

July 1985. Through a representative of the Contadora group the Sandinist government proposes the resumption of the dialogue with the U.S.

July 1985. At a rally to celebrate the sixth anniversary of the revolution, President Daniel Ortega declares that the U.S. must end its threats, blackmail, and acts of aggression. He again proposes proceeding with the Manzanilla dialogue in order to normalize bilateral relations.

June 1986. The Nicaraguan government says it is prepared to settle the conflict in Central America in line with the new Act of Peace, which the Contadora group proposed on June 7.

How did Washington respond? Each time the White House or the State Department issued a standard statement to the effect that Nicaragua's calls "lack content." At the same time the Sandinist authorities were presented with ultimatums that they could not ac-

cept, notably, to change their policy at home and abroad, break off amicable relations with Cuba, the Soviet Union and other socialist countries, unilaterally disarm, and undertake to negotiate with contra bandits, whose hands are dripping with the blood of their compatriots. It would not have been possible for the revolution to accede to any of these demands.

With Gun, Machete and Primer

The situation in the country as the people of Nicaragua celebrate the seventh anniversary of their revolution is a difficult one. Increasing numbers are falling victim to U.S. aggression. The tears shed by mothers, widows and orphaned children seem endless. A war is in progress. It is a war for survival, for independence, for dignity, for the right to go their own way.

The victory of the popular anti-imperialist revolution in Nicaragua of July 19, 1979, was the culmination of the patriotic movement headed by the Sandinist National Liberation Front against the U.S.-nursed Somoza dictatorship. The dictator left a devastated, plundered country in which 52 per cent of the population could neither read nor write. Its working masses had neither schools nor hospitals, and 270 newborn babies in every thousand died.

The Sandinists virtually had to start from scratch. They had to build schools and houses, put up factories and reorganize farming by giving the land to



The U.S.S.R. is helping Nicaragua to develop key branches of its economy. Seen here are two Soviet geologists N. Bogatykh and M. Khushainov with their Nicaraguan colleague E. Palacios.

TASS photo

those who filled it. They had to democratize social life.

The year 1980 saw the start of a sweeping national campaign to eradicate illiteracy. Adults and even old people sat down to learn, alongside children and teenagers. Instruction was given not only in Spanish, but also in the tongues of the country's Indian tribes. As a result, the proportion of illiterates has dropped to 12 per cent.

The new Sandinist authorities pay special concern on the health services, particularly those for children. There are health centres and hospitals everywhere, and wholesale immunization drives have been mounted. Within a short period such diseases as measles and polio have been stamped out, while child mortality rates have been halved.

In the course of the agrarian reform 1.8 million hectares of land have been handed over to 86,000 peasant families. This year another 21,205 families will get plots. More cooperatives are being organized and though there are many individual holdings there are also state farms. The estates owned by the Somoza clan and the latifundists associated with it have been sequestered and placed at the disposal of the state or the co-operatives. Yet large private farms remain, provided that they are efficient and that their owners do not oppose the revolutionary process.

In November 1984 the first free general elections were held in the country despite the aggression with six contending parties taking part. As a result, the President and Vice-President were elected, along with a monocameral parliament (the National Assembly) which began to consider the draft of the country's new constitution on February 21 last. Specifically, this document envisages political activity for all, except those who want to bring back Somoza; it guarantees political pluralism and the right to private ownership, provided it serves to promote the national economy. In the process of the earlier nationwide referendum on the draft constitution the people of Nicaragua introduced many essential corrections, amendments and changes.

The Reagan Administration's undeclared war against Nicaragua is diverting considerable material resources and manpower to defence.

Nicaraguan patriots are doing their utmost to enable the country to survive the crisis. By helping their government maintain production at an adequate level, they are challenging the U.S. Administration's effort to strangle the republic with an economic blockade.

Our Own Correspondent

Managua

A Very Special Month

Professor WIESLAW ISKRA,
Prorector of the Academy of Social Sciences,
Polish United Workers' Party

July this year has been a very special month for the Poles. Early in the month the 10th PUWP Congress ended, after charting guidelines for national advancement up to the close of the century. On July 22 People's Poland marks its 42nd anniversary, a date that induces us to cast yet another retrospective glance at the path covered so far.

That both the friends and enemies of socialism in our country are assessing its socio-economic development is no secret.

By playing up the difficulties and complications of socialist construction, adversaries of the Polish People's Republic at home and abroad deny its achievements and represent its development as an endless chain of mistakes and setbacks. At the same time they interpret socio-economic development between the two world wars in a favourable light.

Though some positive aspects may be discerned in the evolution of Poland's economy over this period, it was nevertheless a time of stagnation and regress. In 1938 industrial output had reached only 95 per cent of the 1913 level, which catastrophically affected socio-economic relationships generally. Economists then estimated that there were several million "redundants" in the countryside and a million jobless in the cities and towns.

In the postwar period, socialist industrialization set the tune for the country's economic advancement. True, there were gross mistakes here. At times industry, especially heavy industry, was given too much of a priority over other areas of material production, which resulted in economic disparities. However, on the whole industrial progress was salutary. It may be noted with satisfaction that this year industrial output is 40 times greater than in 1947, agricultural output is four times greater while the national income is ten times higher.

Nowadays industry accounts for half the national income, though if capacities were fully exploited the proportion could be still greater. Poland's economic restructuring and industrialization were accompanied by rapid urbanization. Since 1946 the share of the



Warsaw's Palace of Culture and Science where the Polish United Workers' Party recently held its 10th Congress.

rural population has gone down from 66 per cent to 40 per cent, while the urban population has risen from 34 per cent to 60 per cent.

Far-reaching changes in the patterns of production and population were attended by a radical restructuring of property ownership. The socialist sector currently accounts for up to 80 per cent of the national income, and is dominant throughout the economy.

Developments of recent years have greatly damaged Poland's economy, resulting in losses totalling billions. The U.S. and its allies exploited the complex situation to destabilize the national economy. It is worth recalling in this connection the unprecedented fact that Polish imports from capitalist countries dropped by 30 per cent in 1981 and by another 26 per cent in 1982. Most-favoured-nation status and credits were denied us, many agreements concluded earlier were broken off, customs tariffs drastically increased, and fishing in traditional areas was banned. Nevertheless, the enemies of socialism failed to achieve their underlying purpose of disrupting Poland's economy and thereby subverting its social system.

"It would have been hard for Poland

to economically survive so serious an ordeal without the Soviet Union's substantial and effective assistance," Wojciech Jaruzelski, PUWP First Secretary, observed in March 1984. "In our darkest hour it extended a helping hand. It agreed to step up deliveries of vital commodities and raw materials, though this had not been planned. It has now agreed to a temporary upset in the balance of trade. It has granted Poland the biggest credits ever in the history of our relations.

"It is worth asking what sort of a pass Polish economy would have come to had we been obliged to buy oil, gas, cotton and iron ore from the West for hard currency. We understand how much Poland would have lost had she depended entirely on the whims of her Western partners.

"We shall never forget the help our Soviet comrades, the Soviet people gave us. It has enabled us to survive the worst, while today it enables us to view the future without anxiety."

We associate Poland's future primarily with economic modernization and reform, and accelerated socio-economic advancement. By the close of this century Poland will have a population upwards of 40 million. As was noted at the 10th PUWP Congress, the country will enter the 21st century as a prosperous nation with a much higher standard of living and a well-developed economic system.

The aim of Poland's new socio-economic strategy is to expedite stable economic advance through more efficient production and the application of the latest achievements of science and technology. By the year 2000 our national income will be at least 75 per cent more, though in practice we shall be looking for ways and means of topping that target. We hope to boost labour productivity by at least 65 per cent, and cut the consumption of material and power per unit of output by 30-40 per cent. Furthermore, per capita consumption funds will increase by a further 50 per cent.

In view of the unhappy experience of economic relations with the industrialized capitalist countries, Poland has amended its economic strategy with a view to elevating to new and higher levels interaction with the socialist countries, especially the Soviet Union, through bilateral and multilateral cooperation and economic integration within CMEA.

Encumbered with a startling federal budget deficit and military expenditure, the U.S. economy is heading for another crisis. It is particularly dangerous for the U.S. financial system sapped by Reaganomics.

Booby Traps in Bank Vaults

BORIS SERGEYEV

In the early 1980s the United States became a sort of "financial Mecca." Money from the whole of the capitalist world rushed there, because a high bank rate and a solid dollar promised high returns. In the context of economic instability in the capitalist world and soaring foreign debts, U.S. banks appeared to be "oases of security." However, as Reaganomics started to lose its initial gloss, the image faded too. The papers abounded in notices advertising the sale or lease of pretentious bank offices—symbols of the U.S.A.'s financial might.

Bankers and Guarantors

Banks play a special role in the capitalist economy. Like the circulatory system, they supply the economy with the finance needed for the circulation of commodities, investment and the accumulation of capital. Failures in the banking system immediately affect business activity and precipitate a landslide of bankruptcies in industry and commerce. Every dollar deposited in a bank circulates through a series of financial institutions at least six times. If a single element drops out, this not only breaks the financial chain as such, but also inflicts damage on the companies dependent on banks.

That the mass ruin of banks is dangerous for the capitalist economy was revealed by the 1930s. When another cyclical crisis of overproduction gripped the U.S. in 1929, it grew into a major slump partly because the banking system had been impaired. Having learnt this lesson, bourgeois governments have enforced various restrictions and regulations and imposed deposit insurance to protect the banking system against possible upheavals. However, Western economists now say that,

despite these safeguards, the U.S. banking system is in a situation very similar to that of the 1930s.

According to the Federal Deposit Insurance Corporation (FDIC), more than 1,000 U.S. banks are in serious straits. The previous high registered in 1976 was only 385. Normally, the FDIC lists as "problem banks" only those that have issued too many loans to doubtful borrowers. Federal financial bodies pay special attention to "problem banks." They frequently take steps to prevent a crash. Despite this, the number of "problem banks," far from decreasing, is increasing. More and more banks have been collapsing. In 1984 the number of bankruptcies approached 80, the highest since the 1930s. It seemed that this record could not be broken. But in 1985 the number of bankruptcies—120 commercial and 70 savings banks—exceeded the most pessimistic forecasts.

In the period from 1942 to 1971 no more than four banks had declared themselves insolvent every year and from 1971 to 1980 only eight. By contrast, during the first term of the present Administration (1981-84) the figure was 165.

In the summer of 1984 Continental Illinois Corporation, a leading Chicago bank, was on the brink of ruin. It was saved only by the Federal Reserve System which granted it a multibillion loan. Late in 1984 two very big U.S. banks—the Bank of America, and First National Bank of Chicago—where ordered to take urgent measures to prevent a possible crash. Despite desperate efforts, the Bank of America could not avoid the danger. In 1985 its losses amounted to \$337 million.

The federal authorities officially announced that they would guarantee the solvency of the U.S.A.'s eleven biggest banks if any of them happened to share the fate of Continental Illinois Corporation. Several months later the authorities were compelled to assume further commitments, this time with respect to savings banks. Under pressure from depositors eager to withdraw their money, in March 1985 the authorities were forced to close nearly 70 savings banks in Ohio. To prevent the crisis from spreading, the President himself made a special announcement about the FRS providing the necessary funds. It is worth noting that the government had to guarantee the country's leading banks not during a crisis, but in the third year of the cyclical economic boom. The authorities had hardly extinguished the financial fire in Ohio, when similar alarms were sounded in Texas, Massachusetts, North Carolina, Pennsylvania and Maryland. The summer of 1985 witnessed another record: seven banks collapsed in a single day.

The International Herald Tribune stated that 15 of the biggest U.S. banks have a liability of approximately \$1 trillion, which has not been reflected in



their official balance sheets. Perhaps, it will also be regarded as doubtful.

The weakness of the credit system is a consequence of the deregulation of financial operations the Reagan Administration has resorted to. Though it gave greater freedom of action to the bankers in the drive for superprofits, deregulation, combined with the White House's policy of militarization, has jeopardized the country's financial system.

Fruits of Deregulation

A banker's profit depends on the turnover of money, i.e., on the deposits he can attract and the loans he grants. The deposits attracted directly depend on the rate of interest. The higher it is the more profitable it is to deposit money in the bank. One of the elements of deregulation has been the lifting of controls on competition for deposits. Specifically, controls fixed a maximum rate of interest.

In 1979 such a limit was imposed on 80 per cent of bank deposits, and in 1985 only on 20 per cent. In January 1986 all controls were lifted. To win depositors over from their competitors banks have started to increase their rates of interest. They have also resorted to this practice to compensate for losses from an overall reduction in bank deposits, caused by the shrinking of the total savings of most Americans. While the present Administration has been in office, the savings of the population have dropped from 6.7 to less than three per cent.

The bankers hoped to cover increased payments of interest on deposits with more profitable loans to borrowers. However, the U.S. credit market has also seen serious changes. The more dependable borrowers—the leading industrial companies—prefer to back their operations with funds of their own. The monopolies of the military-industrial complex sustained by big government contracts are in the most favourable position. Thus, most banks have had to deal with less reputable borrowers or even grant loans to wholly unreliable clients.

The structural changes that have occurred in the U.S. economy could not but affect the American banks. When the prices of raw materials and fuel were steadily increasing in the mid-1970s and looked as if they would do so indefinitely, bankers invested heavily in oil fields and other raw material sectors. However, the 1980-1982 crisis first stabilized and then slashed prices. The loans the bankers had granted became "doubtful." The uneven character of the post-crisis improvement in business activity and the boom contributed to the instability of the banking sector. Despite the boom in the sphere of services and sectors connected with

military production, the level of output in the civilian industries was only slightly higher than that of the pre-crisis period. Farming has not yet got out of the crisis of overproduction which, together with the high cost of credit, has increased the indebtedness of the farmers to an unprecedented degree. Today the farmers' total debt exceeds the combined foreign debt of Brazil and Mexico.

Experts are gravely concerned about the growth of the consumer instalment debt. It has approached a record high of 19 per cent in relation to the incomes of the population. Manufacturers' debts have been steadily mounting. In the last ten years the overall indebtedness of U.S. corporations has soared from \$900 billion to \$2,589 billion. From 1970 to 1979 the payments of interest on loans amounted to approximately 25 per cent of the corporations' gross profits, in 1981 they increased to 30 per cent, and in 1982 to 60 per cent. It follows that in actual fact the deregulation of banking has struck hard at the greater part of U.S. business.

The plight of the weaker credit institutions is far more grave than those at the apex of the U.S. banking pyramid, yet the financial crisis has not left the giants unscathed either, though the causes are different. In the mid-1970s, U.S. transnational banks, just like the financial monopolies in the other developed capitalist countries, dramatically increased the issue of high interest loans to developing states. This credit boom is known to have brought about a "debt crisis." In 1985 the developing countries' foreign debt to transnational banks and Western government bodies exceeded \$1 trillion. Many African and Latin American states were unable to repay even the interest on the loans. The capitalist currency-financial system was threatened with disaster.

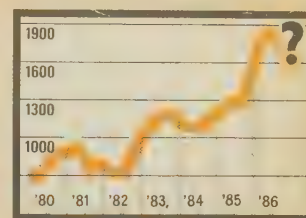
Nine leading U.S. banks, which account for some 60 per cent of U.S. overseas bank assets, were hardest hit by the "debt crisis." The overall sum of the loans Wall Street granted to other countries exceeded its own capital by almost three to one.

Enemy Number One

Out of the multitude of problems the American banks are confronted with both at home and abroad the most crucial are the unprecedented federal budget deficits, deficits which, year in, year out, are inflated by fabulous military spending. During the 1980s alone they increased the U.S.A.'s national debt to \$2 trillion. The repayment of this debt is a heavy burden on the money market, the banking system and the national economy.

The government's constantly mounting demand for money to cover the deficit and repay the national debt has been

Signs of Trouble on Wall Street



The Dow-Jones index indicates trouble.

On July 7 and 8 the New York Stock Exchange showed further signs of trouble in the U.S. economy. In two days the Dow-Jones index fell 80 points, beating all record drops in share prices since the 1980-82 crisis.

The stock exchange fever has genuinely startled the White House; early this year it had assured business circles that another boom was about to begin. Donald Regan, White House chief of staff, was compelled to admit that economic growth was not as healthy as the Administration would have liked it to be. He hastened to put the blame upon the Federal Reserve Board, saying it had refused to lower the high interest rate.

However, it is above all the U.S. Administration that is to blame for the unhealthy economy. Gigantic military spending has jeopardized the federal budget to the point where it can be balanced only with the help of injections of foreign capital. What attracts foreign capital is precisely a high interest rate. If the Federal Reserve Board dares slash it drastically (recently it lowered the rate by 0.5 per cent), capital will start flowing out of the U.S., the dollar will tumble and prices will skyrocket because of inflation. These factors may sharply aggravate the crisis in the financial system.

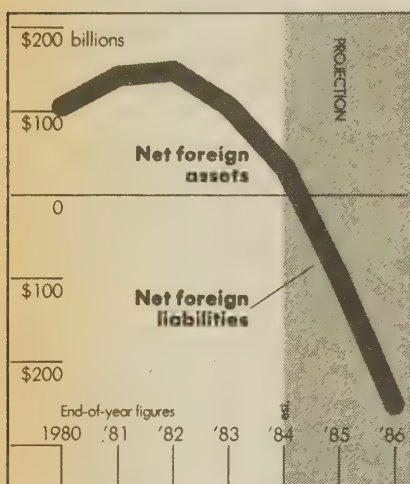
limiting the private sector's access to credit and maintaining high interest rates. In the recent period government loans have been absorbing close to 70 per cent of private savings in the U.S. On the market of long-term credits, which the manufacturers need so badly, they account for even more.

It has been difficult for the banks to attract money market resources and find

dependable clients. As a result, a so-called secondary credit market has come into existence. Financial experts believe that this has been one of the major structural changes in the U.S. credit system over the last few years.

Banks in urgent need of cash would sell the promissory notes of their dependable clients. By doing so they lowered the quality of their loan portfolios, because the share of doubtful loans increased. In contrast with this other banks would get rid of doubtful loans by selling them at a considerable discount. However, this adversely affected their financial position. Many of the big banks began to make money also on reselling loans to smaller banks as soon as these had been granted to dependable borrowers. The selling of long-term credits in the short term with the obligation to subsequently redeem

WORSENING OF INTERNATIONAL FINANCIAL POSITION OF THE U.S.



Once the capitalist world's main creditor, the U.S. today owes foreign lenders much more than any other country.

Diagrams from Fortune (U.S.A.)

them, etc., has been widely practised. Thus, a rather unstable loan market has taken shape. It has increased the interdependence of banks, drawing more and more participants into financial deals, and thereby dangerously making the entire system more vulnerable to a malfunctioning in any element.

The element of speculation has been playing a much bigger role in banking operations, and the new financial instruments have failed to solve the problem of shortage of funds on the capital market. The overall level of accumulated funds having dropped in the country, U.S. banks have been able to meet the economy's growing demand for capital mainly through foreign loans. This has brought about a radical change

in the international role of U.S. banks. In the last two years they have become net borrowers.

Under the present Administration the foreign debts of government and private borrowers have been piling up at a terrific rate. Attracting close to \$2 billion a week, they have turned the U.S., for the first time since 1914, into a debtor country. And now, as never before, Washington has to weigh very carefully every step in its home economic policy in order to prevent the mass withdrawal of foreign investments. Like the sword of Damocles, this threat not only hangs over the U.S. Department of Treasury, but also over all American banks. A Federal Reserve System estimate shows that the U.S. annual demand for foreign investments ranges from \$125 billion to \$150 billion. But to attract this money it is not enough to assure a profitable investment. In addition, confidence—confidence in the U.S. economy and its banking system—is necessary. But it is just this that is a problem for the U.S. today.

Erosion of Confidence

The collapse of the Continental Illinois Corporation shook the country's money market for several days running. The crises that gripped the savings banks in Maryland and Ohio weakened the dollar for quite some time.

Stuart Greenbaum, one of America's most respected banking experts, says investors "have every right to be concerned over the safety of the American banking system. The financial system in the United States is not the bulwark of strength that it was in the sixties and seventies."

Confidence is being further eroded by growing economic difficulties. Before the spring of 1985 foreign investors were not at all disturbed by reports on the problems harassing U.S. banks or setbacks in the national economy. They were far more excited by Reagan's plans for the "rearmament of America." International currency speculators have learnt that higher military spending is usually accompanied by a rise in the rate of interest and, therefore, increased profits on money invested in the U.S. That was why, every time Congress authorized additional military appropriations, the inflow of foreign capital only increased. The promise of fat profits on the U.S. money market would drown the fear of possible losses resulting from the sudden insolvency of a bank, an economic recession or some other development capable of upsetting the U.S. financial system. Backing America's rearmament by inflating the bank rate has raised the rate of exchange of the dollar more than 50 per cent in four

years, rendering entire industrial sectors noncompetitive. In 1985 the U.S.A.'s trade deficit reached \$148.5 billion. Adjusting it has only increased the foreign debt. The inflow of capital attracted by high bank rates that had been forced up has only created an illusion of success. Williamson of the Institute of International Economics in Washington maintains that if the U.S. were to direct foreign capital into the right channel, the prospects would not be so grim. But only a third of investments have become productive.

Judging by the quotations on the New York Stock Exchange—the recognized barometer of business activity—the U.S. economy may plunge into a recession before the year is over. Research conducted by Chase Econometrics has revealed that even a six months' recession would expand the present federal budget deficit from the \$200 billion at which it now stands to \$500 billion. Western commentators believe that a financial cataclysm of such proportions would fatally affect the entire world capitalist economy.

The U.S.'s precarious financial position is being further aggravated by the fact that a large part of the foreign capital backing the budget deficit is made up of short-term loans. This is so-called "hot money" which will escape from the U.S. as soon as the alarm is sounded. With international money markets functioning round the clock and executing speculative transactions exceeding the volume of world trade turnover 15-20 times over, a crisis of confidence may flare up in a matter of minutes.

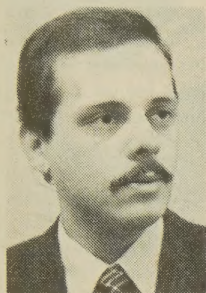
The International Herald Tribune has given a very true-to-life scenario for a financial crash. It writes:

"Nobody runs faster than a sophisticated investor who gets scared. The run on a bank would be invisible: no lines of depositors outside the door, just telexes withdrawing funds. In the next crisis, it may not be possible for the federal authorities to quarantine the disaster, as they did with Continental Illinois."

The financial crash has not yet occurred. The federal authorities have managed to extinguish financial fires in separate states and even avert the threat of bankruptcy from the bigger banks. Despite this, it is a fact that Reaganomics and the rearmament of America at other countries' expense have charged the U.S. financial system with high explosives. The booby traps in bank vaults are awaiting their hour.

Soviet newspapers often claim that you condemn international terrorism. How then do you regard such terrorist groupings as the self-styled Red Army Fraction (RAF) and the Revolutionary Cells (RC)? In all likelihood they see themselves as your supporters.

Werner BILLAUDELLE
Pattensen, F.R.G.



Our staff
writer
**NIKITA
ZHOLKVER**
replies:

Your letter arrived on almost the same day as the news report from the F.R.G. that on July 9, RAF terrorists had perpetrated yet another heinous crime, murdering Karl Heinz Beckurts, a member of the Siemens Board, near Munich. This terrorist act gives even greater relevance to the subject under discussion.

True enough, the vocabulary of the extreme "left" is punctuated with the terms "communist," "proletarian," "worker," "red," etc. Indeed, one might even think Marxism has no more zealous disciples than they, though in fact they are arch-enemies of communism. In fact, what these ersatz revolutionaries do under the cover of their left-wing utterances has more to do with the criminal code than Marxism, for it is totally at variance with "Das Kapital" and the other writings of the founders of Marxism-Leninism. After all, are not the seizure of hostages, bank robberies and theft even when smoke-screened by nonsense about "revolutionary expropriation," crimes? Of course they are. And here I think we definitely see eye to eye.

Incidentally, at the beginning of the 20th century, all true revolutionaries who adhered to the teachings of your great compatriot Karl Marx categorically denounced terrorism as an "inadvisable" and futile tactic. Lenin qualified such petty-bourgeois revolutionism as "menacing, bluster-

ing and boastful in words, but a mere bubble of disunity, disruption and brainlessness in deeds." No wonder that when we speak of them, we often enclose the word "left" in inverted commas. They have nothing at all in common with authentic progressive, democratic left-wing forces. On the contrary, they are the worst enemies of these forces.

Extremism is an offspring of the society in which you live, a society dominated by social injustice, exploitation of the working man, disinheritance and poverty, a society in which people are jettisoned and made outcasts. Terrorism becomes more rampant in times of increased social tension, of crisis embracing every aspect of social life—economics, politics, culture and morality. Few believe that political parties or the mechanism of parliamentary elections can change anything. Hence, some of the younger generation who are despondent, spiritually emasculated and devoid of political experience and moral ideals see extremism as the shortest route to resolving acute social issues. Furthermore, the prevalent cult of violence in the West impels them to take this route. Sad to say, some young people often regard violence as being almost the only means, if not of changing society, at least of calling the attention of those who ignore their interests to their plight.

These "leftist" extremists are as far removed from genuine socialism and the realities of the class struggle as Halley's comet is from the earth, if not still more so. Without going into too much detail, let me merely note that they have no comprehension at all of the vital interests of the working masses, who have a totally different approach in their assessment of the contradictions inherent in capitalist society.

Due to the spurious nature of their ideological and political points of departure, their adventurist practices, the "left"-wing extremists inevitably and logically arrive at what is for many of them their fundamental and

TAKING UP A POINT

fatal contradiction, namely, the incompatibility of their declared goals with the objective results of their acts which play into the hands of the reactionaries. The borderline between "left"-wing and right-wing extremists is most elusive, as both are, in effect, agents provocateurs who do the bidding of reactionary bourgeois forces if not of the intelligence services of the imperialist powers in the campaign against Communists, democrats, and other progressives.

The goals the extreme "left" and right set themselves, not only in the F.R.G., but also, for example, in France, Italy, or in any Western country, dovetail. They seek to destabilize social life, subvert state institutions and political parties, and split the democratic front. Objectively though, despite the ultra-revolutionary rhetoric, terrorist violence only serves to consolidate existing systems and toughen the authority of the ruling class. Even more, it imperils the working people's democratic achievements and hence serves the forces of counterrevolution. What have these "leftists" achieved by their acts of terror? Are employers more flexible? Do West German guest workers enjoy more rights? Has exploitation been reduced? Are there fewer unemployed? No, a thousand times no.

The consequences of "leftist" activities leave the public with the false impression that the basic danger to social law and order, peace, and human welfare emanates from the left. This helps reaction to harass progressives and push through parliament anti-democratic laws restricting civil and political rights.

There is one more reason why we so radically denounce "left"-wing and indeed any terrorism. It gravely contaminates the international atmosphere, which is inflamed as it is. It adds tension and suspicion to international relations. No wonder the U.S.S.R. has repeatedly stated that it is ready to cooperate internationally in efforts to stamp out this appalling phenomenon. Surely in this context the attempts by some agencies of the Western mass media to associate the Soviet Union with terrorists and attribute to it support of these adventurist agents provocateurs must seem, at the very least, ridiculous.



601!

"He is the Number One in world sport today," Juan Antonio Samaranch, President of the International Olympic Committee, says of Soviet record-holding pole-vaulter SERGEI BUBKA.

His records are fantastic. They shatter our concepts of human potential in sport. Indeed, when, in Paris a year ago, Bubka asked the bar to be set at the simply fabulous height of six metres one of his rivals, the American Bill Olsson, gasped that if Bubka cleared it, he would give up track and field athletics for golf.

Bubka cleared the height, and Olsson is still in the field. Now, at the Goodwill Games in Moscow, on July 8

Sergei vaulted a record-taking 601 cm.

I know Sergei personally and have visited him at home in Donetsk, in the Ukraine. But what never ceases to amaze me is that this magnificent athlete is so disappointingly normal in daily life. He is communicative and hospitable, appreciative of humour, and shyly admits that he adores Omar Khayyam and Soviet Daghestan poet Rasul Gamzatov. And he also adores his lovely 20-year-old wife Lilia Tyutyunik and his year-old son Vitaly, so named, incidentally, after his coach Vitaly Petrov.

To cut a long story short, he is a completely normal boy. But when it comes to pole-vaulting he is quite different. The kindly expression and the broad smile are gone. Now he summons all his resolve to see nothing but the bar. "At competitions I am taciturn and malicious," Bubka once said.

He showed his stuff at the tender age of ten when his coach Petrov took him under his wing, when against his anxious parents' will he changed tram for trolleybus when riding from one end of Voroshilovgrad (where the family lived) to the other for training sessions. He again showed his mettle in 1979 when, as a mere teenager, he coaxed his mother into letting him go to live in Donetsk, to which Petrov had moved. Once again he displayed his grit in 1981, after his failure at the European junior championship in Utrecht. At the time colleagues quite seriously advised Petrov to tell Sergei to take up soccer. In the 1983 world track-and-field athletics championship, the first in the history of these events, Bubka, then 19, was included in the team at the last moment and sent to Helsinki simply to gain ex-

perience. But he won the event, despite a heavy side wind, which put many renowned competitors off their form.

He has been lucky in his coach. Petrov is an intelligent person who likes to experiment and turns training sessions into an exciting game; for what he most fears is the boredom that could overtake his young pole-vaulters. After all, this isn't soccer in which the situation on the field changes all the time. Petrov has his own scientific methods, his own individualized approach. He is a fanatic. Indeed, his wife Galina told me once, laughingly, though it had been a crying matter for her at the time, that on payday Vitaly had brought home vaulting poles instead of his pay packet, as at the club for which he worked then this event was frowned upon.

Yet one must agree that the coach was lucky too when he selected Sergei. Petrov has coached several athletes of international standing, including Sergei's elder brother, Vasily, who last year won the U.S.S.R. championship. But there is only one Bubka. "Without his industry, his sense of purpose, his independent nature, he would never have become the record-breaker he is," Petrov says.

He seems to take Sergei's talent for granted, and I would also add his courage. The pole has snapped twice under Sergei, a thing that could well traumatize a person psychologically let alone physically, as has been the case with many. However, Sergei took it in his stride. In the Soviet team of pole-vaulters he is the "test pilot," who tries out every kind of pole. He uses poles so tough that no other pole-vaulter in the world dares use them. Needed is not only a very special kind of

strength, but also a very special kind of courage.

Sergei Bubka is socially very active. In Donetsk, I have seen him speaking with factory workers and college students. But he likes teenagers most. "After all we champions don't just run and jump for our own sakes," he says. "We do it for those who enjoy and love sports." So if any boy joins a sports school "to be trained like Bubka," that's splendid.

At the beginning I said that his records are fantastic. This calls for an explanation. After his latest Goodwill Games record, the Washington Post, citing American pole-vaulters, alleged that Bubka had used drugs. Now Sergei simply doesn't believe that Earl Bell or Mike Tully, his Moscow rivals, who so heartily congratulated him on his record, and whom, after the event, he took around Moscow to see the sights, could have fabricated such nonsense. After all, they know the procedure for checking on the use of drugs at major competitions. They probably remember that Bubka set all his previous records abroad, and one must presume that drugs checks in the U.S., Britain, Italy and France are standard. Furthermore, one should realize that only a person who does not use drugs could take such heights all the year round, as even "elusive" dope, if one could imagine such a thing, would certainly be of no help.

Having said all this, Sergei added that he did not want to justify himself, as he didn't need to, and that he was prepared to ignore the unfriendly gestures. His job was not to dispute matters, but to prepare himself to break new records. At training sessions I have seen him working on an attempt to take the unprecedented height of 6 metres 40 centimetres, even though instead of a bar his coach had stretched a rubber band between the posts.

Alexei SREBNITSKY

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INTERNATIONAL POLITICAL POSTER CONTEST "FOR PEACE AND SOCIAL PROGRESS"

An international contest of political posters keyed by the motto "For Peace and Social Progress" has been jointly sponsored by the Plakat (Poster) Publishers, the Union of Soviet Artists, the Ministry of Culture, the State Committee for Publishing, Printing and Book Trade, the All-Union Central Council of Trade Unions, the Young Communist League, the Union of Soviet Friendship Societies, the Soviet Peace Committee, the Soviet Peace Fund, the Union of Soviet Journalists, and the Novosti Press Agency.

The purpose is to encourage the drawing and painting of posters that would reflect the role played in world history by the October 1917 revolution in Russia, the Soviet Union's Leninist foreign policy, and the aspirations of all world peace forces to strengthen peace, curb the arms race, and do everything conceivable to prevent a nuclear catastrophe.

Entries are invited from professional artists, graduates, undergraduates and instructors at colleges and schools of art, associations of creative workers and publishing houses.

An international jury composed of prominent Soviet poster artists and their colleagues from fourteen other countries will judge the entries.

Entries are to be original, executed in any

medium, suitable for printing, and must be backed with a sheet of cardboard 70×100 cm.

They should be addressed to the "For Peace and Social Progress" Contest, 10/14 Krymskaya Naberezhnaya, Moscow, 117049, U.S.S.R.

Each entry should carry on the back a six-digit figure. Attached should be a sealed envelope enclosing the same six-digit figure, as well as surname, first name, patronymic if any, date of birth, educational status, place of work or study, and, finally, full postal address. Please note that all information must be presented in full.

Entries must be submitted not later than October 31 this year.

The following prizes will be awarded:

- three first-class diplomas and prizes
of 1,500 rubles each;
- six second-class diplomas and prizes
of 1,000 rubles each;
- nine third-class diplomas and prizes
of 750 rubles each;
- fifteen consolation diplomas and prizes
of 300 rubles each.

All diploma-winning posters will be printed in large editions. An art album will be published and an exhibition of the best posters will be organized.

INTERNATIONAL YEAR OF PEACE

PHOTO
AND GRAPHICS
CONTEST



Summer.

Photos
by Jaroslav
VOGELTANZ
(Czechoslovakia)

A look into the future.

